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**PLAQUEMINES PARISH GOVERNMENT**  
Pointe a la Hache, Louisiana

Primary Government Financial Statements

As of and for the Year Ended December 31, 2004  
with Supplementary Information Schedules

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-13-05

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Primary Government Financial Statements**  
**As of and for the Year Ended December 31, 2004**  
**With Supplemental Information Schedules**

**C O N T E N T S**

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**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Primary Government Financial Statements**  
**As of and for the Year Ended December 31, 2004**  
**With Supplemental Information Schedules**

**C O N T E N T S (C O N T)**

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**INDEPENDENT AUDITOR'S REPORT**

To the Plaquemines Parish Council  
Plaquemines Parish  
Pointe a la Hache, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Plaquemines Parish Government, as of and for the year ended December 31, 2004, which collectively comprise the basic financial statements of the Parish's primary government as listed in the table of contents. These financial statements are the responsibility of Plaquemines Parish Government's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements referred to above include only the primary government of Plaquemines Parish Government, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the Parish's legal entity. The financial statements do not include financial data for the Parish's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Parish's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of Plaquemines Parish Government, as of December 31, 2004, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the remaining aggregate fund information for the primary government of Plaquemines Parish Government as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with Government Auditing Standards, we have also issued a report dated May 20, 2005 on our consideration of Plaquemines Parish Government's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison schedules on pages 5 through 14 and pages 60 through 61, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Plaquemines Parish Government's basic financial statements. The other supplementary information on pages 64 through 84 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Parish. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements of the Parish. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
May 20, 2005

# PLAQUEMINES PARISH GOVERNMENT

## Pointe a la Hache, Louisiana

### Management's Discussion and Analysis

#### Unaudited

The discussion and analysis of Plaquemines Parish Government's financial performance provides an overview of the Parish's financial activities for the year ended December 31, 2004. The intent of this discussion and analysis is to look at the Parish's financial performance as a whole. The Parish's financial performance is discussed and analyzed within the context of the accompanying basic financial statements and disclosures following this section.

#### **Financial Highlights**

- The Parish's assets exceeded its liabilities by \$168,080,846.
- Total Parish's net assets are comprised of the following:
  - Capital assets, net of related debt, of \$90,023,520 include property and equipment, net of accumulated depreciation and reduced for outstanding debt related to the purchase or construction of capital assets.
  - Restricted assets of \$10,485,543 have constraints imposed from outside the Parish by bond covenants.
  - Unrestricted assets of \$67,571,783 represent the portion available to maintain the Parish's obligations to citizens and creditors.
- *The governmental funds total ending fund balance of \$81,180,630 showed an increase of \$35,006,223 over the ending balance for 2003.*
  - The General Fund ending fund balance of \$68,169,198 showed an increase of \$24,600,425 over the ending balance for 2003.
  - The General Fund ending unreserved/undesignated fund balance of \$27,057,991 showed an increase of \$18,785,473 over the ending balance for 2003.
- The enterprise funds total ending net assets of \$41,174,835 showed a increase of \$1,196,906 over the ending balance for 2003.
  - The Port, Harbor and Terminal Fund total ending net assets of \$5,501,546 showed an increase of \$55,608 over the ending balance for 2003.
  - The Water and Sewer Fund total ending net assets of \$35,341,216 showed a increase of \$1,155,525 over the ending balance for 2003.

#### **Overview of the Financial Statements**

This annual report consists of a series of financial statements. These statements are organized so the reader can understand the Parish as a financial whole or as an entire operating entity. The statements also provide a detailed look at specific financial conditions.

The Parish's basic financial statements are comprised of the following three components:

- Government-wide financial statements
- Fund financial statements
- Notes to basic financial statements.

In addition to the basic financial statements, this report also contains other supplementary information.

## Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities (pages 16-17) report information about the overall financial status of the Parish as a whole and present a longer-term view of the Parish's finances. These statements include all assets and liabilities, current and long-term. The statements eliminate or reclassify activities between funds, and use the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Parish's net assets and changes in these assets. You can think of the Parish's net assets (the difference between assets and liabilities) as one way to measure the Parish's financial health, or financial position. Over time, increases or decreases in the Parish's net assets are one indicator of whether its financial health is improving or deteriorating. You will also need to consider other nonfinancial factors to assess the overall health of the Parish, such as changes in the property tax base and the condition of the roads, levees, drainage system, water and sewer systems, etc.

In the Statement of Net Assets and the Statement of Activities, we divide the Parish into two kinds of activities:

- **Governmental activities** - Most of the Parish's basic services are reported here and are funded primarily by taxes, oil and gas royalties, and intergovernmental revenues, including federal and state grants, and other shared revenue. Some of the most significant Parish services reported as governmental activities are the following:
  - General government
  - Public safety
  - Public works
  - Health and welfare
  - Culture and recreation
  - Economic development and assistance
  - Transportation
- **Business-type activities** - Activities that are intended to recover all or most of their costs through user fees and charges. The following Parish services are reported as business-type activities:
  - Water and sewer systems
  - Port, harbor and terminal operations
  - Boat harbor, shipyard and boat dock operations
  - Golf course operations

GASB Statement No. 34 requires the Parish to report and depreciate new infrastructure assets effective with the beginning of the current year. Infrastructure assets include roads, bridges, levees, etc. These infrastructure assets are likely to be the largest asset class of the Parish. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period and is first effective for fiscal years ending in 2006. The Parish has elected to implement the general provisions of GASB Statement No. 34 in a previous year and is in the process of implementing the retroactive infrastructure provisions. The process for implementing the retroactive infrastructure will be complete by the fiscal year ending December 31, 2006.

Although the Parish has elected to extend the implementation period for infrastructure, the long-term debt related to the infrastructure was reported in the year of implementation. Therefore, a significant reduction to net assets has been recorded for the debt, without the corresponding increase in net assets for the infrastructure.

## **Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Parish uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, the fund financial statements (pages 19-26) focus on the Parish's most significant funds rather than the Parish as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining schedules in the "Other Supplementary Information" section of this report. The Parish uses three kinds of funds with different account approaches as follows:

- **Governmental funds**—Most of the Parish's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual basis of accounting*, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Parish's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Parish's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation at the bottom of the fund financial statements. The Parish's major governmental funds are the following:
  - General Fund
  - Road Maintenance Fund
  - Public Health Fund
  - Solid Waste Fund
  - Capital Improvements Fund
  - Series 2004 Revenue Bonds
- **Proprietary funds**—When the Parish provides services, which are intended to recover all or most of their costs through user fees and charges, they are generally reported in proprietary funds. The only type of proprietary fund used by the parish is the enterprise fund. Enterprise funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the Parish's enterprise funds are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows. The Parish's major enterprise funds are the following:
  - Water and Sewer Fund
  - Port, Harbor and Terminal Fund
- **Fiduciary Funds**—Fiduciary funds are used to account for resources held for the benefit of parties outside the Parish. Fiduciary funds are not reflected on the government-wide financial statements because the resources from those funds are not available to support the Parish's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds. The only type of fiduciary fund used by the parish is the agency fund.

## **Notes to Basic Financial Statements**

The accompanying notes to the financial statements (pages 28-59) provide information essential to a full understanding of the government-wide and fund financial statements.

## **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Parish's budget presentations. Budgetary comparison schedules (pages 61-62) are included as "required supplementary information" for the General Fund and the major special revenue funds.

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
 Management's Discussion and Analysis

As discussed, the Parish reports major funds in the basic financial statements. Combining and individual schedules for non-major and major funds are presented in the "Other Supplementary Information" section of this report.

### Government-Wide Financial Analysis

The Parish's net assets at year-end are \$168,080,846. The following table provides a summary of the Parish's net assets:

Net Assets								
	Governmental Activities		Business-Type Activities		Total		Percentage of Total	
	2004	2003	2004	2003	2004	2003	2004	2003
<b>Assets:</b>								
Current assets	\$89,762,116	\$55,134,496	\$873,936	\$1,675,163	\$90,636,052	\$56,809,659	45%	36%
Capital assets and other non current assets	70,099,092	61,397,946	41,589,428	39,029,090	111,688,520	100,427,036	55%	64%
<b>Total Assets</b>	<b>159,861,208</b>	<b>116,532,442</b>	<b>42,463,364</b>	<b>40,704,253</b>	<b>202,324,572</b>	<b>157,236,695</b>	<b>100%</b>	<b>100%</b>
<b>Liabilities:</b>								
Current liabilities	6,549,018	6,154,389	1,285,624	725,789	7,834,642	6,880,178	23%	31%
Non-current liabilities	26,406,179	15,335,682	2,905	535	26,409,084	15,336,217	77%	69%
<b>Total Liabilities</b>	<b>32,955,197</b>	<b>21,490,071</b>	<b>1,288,529</b>	<b>726,324</b>	<b>34,243,726</b>	<b>22,216,395</b>	<b>100%</b>	<b>100%</b>
<b>Net Assets:</b>								
Investment in capital assets, net of debt	46,306,922	45,475,776	43,716,598	41,156,260	90,023,520	86,632,036	54%	64%
Restricted	10,485,543	1,433,843	—	—	10,485,543	1,433,843	6%	1%
Unrestricted (Deficit)	70,113,546	48,132,752	(2,541,763)	(1,178,331)	67,571,783	46,954,421	40%	35%
<b>Total Net Assets</b>	<b>\$126,906,011</b>	<b>\$95,042,371</b>	<b>\$41,174,835</b>	<b>\$39,977,929</b>	<b>\$168,080,846</b>	<b>\$135,020,300</b>	<b>100%</b>	<b>100%</b>

The Parish reported positive balances in net assets for both governmental and business-type activities. Net assets increased \$31,863,640 for governmental activities and increased \$1,196,906 for business-type activities. The Parish's overall financial position improved during fiscal year 2004.

Approximately 54% of the Parish's total net assets are included in capital assets (e.g., land and improvements, buildings and building improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure). Although the Parish's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Approximately 37% of the governmental activities' net assets are invested in capital assets. The Parish uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. However, with business-type activities, the Parish has invested all of its net assets on capital. Capital assets in the business-type activities also provide utility services, but they also generate revenues.

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
 Management's Discussion and Analysis

An additional portion of the Parish's net assets, approximately 6%, represents resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted assets, approximately 40%, may be used to meet the Parish's ongoing obligations to citizens and creditors.

The business-type activities reported a deficit in unrestricted net assets of (\$2,541,763). This deficit arose primarily because revenues of the Water and Sewer Fund have not been sufficient to meet the costs. The Parish will need to address this deficit in future years' budgets.

The following table provides a summary of the Parish's changes in net assets:

Changes in Net Assets								
	Governmental Activities		Business-Type Activities		Total		Percentage of Total	
	2004	2003	2004	2003	2004	2003	2004	2003
<b>Revenues:</b>								
Program:								
Charges for services	\$4,294,994	\$3,295,639	\$6,425,483	\$6,418,122	\$10,720,477	\$9,713,761	11.4%	17.1%
Operating grants	1,220,247	670,978	38,780	39,086	1,259,027	710,064	1.3%	1.2%
Capital grants	6,287,618	760,021	3,371,930	669,867	9,659,548	1,429,888	10.2%	2.5%
General:								
Property taxes	7,654,339	7,560,037	2,749,760	2,715,792	10,404,099	10,275,829	11.0%	18.1%
Sales taxes	5,871,302	5,291,593	—	—	5,871,302	5,291,593	6.2%	9.3%
Unrestricted grants	16,872,518	17,419,366	23,226	6,316	16,895,744	17,425,682	17.9%	30.6%
Licenses and fees	690,394	528,556	—	—	690,394	528,556	0.7%	0.9%
Parish oil and gas royalties	10,536,440	9,542,462	—	—	10,536,440	9,542,462	11.2%	16.8%
Mineral, surface and other leases	525,720	884,592	118,162	—	643,882	884,592	0.7%	1.6%
Investment income	645,894	432,622	35,726	47,048	681,620	479,670	0.7%	0.8%
Settlements	26,501,323	529,469	—	—	26,501,323	529,469	28.2%	0.9%
Other	397,782	81,067	53,636	56,585	451,418	137,652	0.5%	0.2%
<b>Total Revenues</b>	<b>81,498,571</b>	<b>46,996,402</b>	<b>12,816,703</b>	<b>9,952,816</b>	<b>94,315,274</b>	<b>56,949,218</b>	<b>100.0%</b>	<b>100.0%</b>
Program Expenses:								
General government	23,917,651	17,904,682	—	—	23,917,651	17,904,682	39.0%	35.8%
Public safety	725,023	611,840	—	—	725,023	611,840	1.2%	1.2%
Public works	14,620,175	11,657,551	—	—	14,620,175	11,657,551	23.9%	23.3%
Health and welfare	4,912,306	4,248,839	—	—	4,912,306	4,248,839	8.0%	8.5%
Culture and recreation	1,995,222	1,730,525	—	—	1,995,222	1,730,525	3.3%	3.5%
Economic development and assistance	99,988	99,109	—	—	99,988	99,109	0.2%	0.2%
Transportation	2,610,083	2,517,855	—	—	2,610,083	2,517,855	4.3%	5.0%
Interest on long-term debt	698,061	595,205	—	—	698,061	595,205	1.1%	1.2%
Water and Sewer	—	—	9,486,858	8,163,007	9,486,858	8,163,007	15.4%	16.3%
Port, Harbor and Terminal	—	—	1,507,340	1,808,244	1,507,340	1,808,244	2.5%	3.6%
Port Sulphur Golf Course	—	—	194,876	152,644	194,876	152,644	0.3%	0.3%
Boat Harbors and Shipyards	—	—	487,145	559,377	487,145	559,377	0.8%	1.1%
<b>Total Program Expenses</b>	<b>49,578,509</b>	<b>39,365,606</b>	<b>11,676,219</b>	<b>10,683,272</b>	<b>61,254,728</b>	<b>50,048,878</b>	<b>100.0%</b>	<b>100.0%</b>
Excess (deficiency)	31,920,062	7,630,796	1,140,484	(730,456)	33,060,546	6,900,340		
Transfers	(56,422)	985,433	56,422	(985,433)	—	—		
<b>Change in Net Assets</b>	<b>31,863,640</b>	<b>8,616,229</b>	<b>1,196,906</b>	<b>(1,715,889)</b>	<b>33,060,546</b>	<b>6,900,340</b>		
Beginning Net Assets	95,042,371	86,426,142	39,977,929	41,693,818	135,020,300	128,119,960		
<b>Ending Net Assets</b>	<b>\$126,906,011</b>	<b>\$95,042,371</b>	<b>\$41,174,835</b>	<b>\$39,977,929</b>	<b>\$168,080,846</b>	<b>\$135,020,300</b>		

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
 Management's Discussion and Analysis

**Governmental Activities**

The Parish is heavily reliant on property taxes, sales taxes, intergovernmental revenue and oil and gas royalties to support governmental operations. Of the total governmental revenues, property taxes provided 10%, sales taxes provided 8% intergovernmental revenue provided 21%, oil and gas royalties provided 13%, settlements provided 33%, and fees and other revenues provided 15%.

The statement of activities reflects the cost of program services and the charges for services, and sales, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues (the financial burden that was placed on the Parish's taxpayer by each of these functions). The total cost of services and the net cost of services for governmental activities are as follows:

Governmental Activities				
Function	Costs of Services			
	Total		Net	
	2004	2003	2004	2003
General government	\$23,917,651	\$17,904,682	\$22,235,353	\$16,644,946
Public safety	725,023	611,840	31,478	469,865
Public works	14,620,175	11,657,551	7,043,144	9,607,328
Health and welfare	4,912,306	4,248,839	3,317,921	3,196,905
Culture and recreation	1,995,222	1,730,525	1,929,719	1,669,305
Economic development and assistance	99,988	99,109	99,988	99,109
Transportation	2,610,083	2,517,855	2,419,986	2,356,305
Interest on long-term debt	698,061	595,205	698,061	595,205
Total	\$49,578,509	\$39,365,606	\$37,775,650	\$34,638,968

Program revenues cover only 24% of governmental operating expenses. This means that the government's taxpayers and the Parish's other general revenues fund 76% of the governmental activities. As a result, the general economy and the local businesses have a major impact on the Parish's governmental revenue streams.

**Business-Type Activities**

Of the total business-type revenues, user charges provided 50%, operating grants and contributions provided 1%, capital grants and contributions provided 26%, property taxes provided 22%, and other revenues provided 1%.

The statement of activities reflects the cost of program services and the charges for services, and sales, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues (the financial burden that was placed on the Parish's taxpayer by each of these functions). The total cost of services and the net cost of services for business-type activities are as follows:

Business-Type Activities				
Department	Costs of Services			
	Total		Net (Deficit)	
	2004	2003	2004	2003
Water and Sewer	\$9,486,858	\$8,163,007	(\$2,607,998)	(\$3,385,947)
Port, Harbor and Terminal	1,507,340	1,808,244	1,072,418	33,275
Port Sulphur Golf Course	194,876	152,644	(143,924)	(96,371)
Boat Harbors and Shipyards	487,145	559,377	(160,522)	(107,154)
Total	\$11,676,219	\$10,683,272	(\$1,840,026)	(\$3,556,197)

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
 Management's Discussion and Analysis

Program revenues cover only 85% of business-type expenses. This means that the government's taxpayers and the Parish's other general revenues fund 15% of the business-type expenses. As a result, the general economy and the local businesses have a major impact on the Parish's revenue streams.

**Financial Analysis of Parish Funds**

**Governmental Funds**

The focus of the Parish's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Parish's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Parish's net resources available for spending at the end of the year.

As of December 31, 2004, the Parish's governmental funds reported a combined ending fund balance of \$81,180,630, an increase of \$35,006,223 in comparison with the 2003 ending fund balance. Approximately 35% of this total constitutes unreserved/undesignated fund balance, which is available for spending at the Parish's discretion. The remainder of the fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior year or for a variety of other restricted purposes.

The breakdown of governmental fund balance is as follows:

Governmental Fund Balance		
	2004	2003
Reserved	\$7,976,292	\$9,905,764
Designated	45,079,273	27,073,669
Unreserved/Undesignated	28,125,065	9,194,974
Total	\$81,180,630	\$46,174,407

The General Fund ending fund balance for 2004 of \$68,169,198 showed an increase of \$24,600,425 over the ending balance for 2003.

The General Fund ending unreserved/undesignated fund balance for 2004 of \$27,057,991 showed an increase of \$18,785,473 over the ending balance for 2003.

**Enterprise Funds**

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status.

The business-type activities of the Parish reported a total operating loss (excludes nonoperating revenues and expenditures, capital contributions and transfers) of \$6,279,013 during 2004, compared to an operating loss of \$5,440,770 for 2003, an increase of \$838,243 over the prior year.

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
 Management's Discussion and Analysis

The business-type activities reported operating losses compared to the prior year as follows:

	Water and Sewer		Port, Harbor and Terminal		Other Enterprise	
	2004	2003	2004	2003	2004	2003
<b>Operating Revenues</b>						
Charges for services	\$4,078,285	\$4,074,944	\$1,793,763	\$1,696,319	\$377,574	\$386,833
Other	93,817	51,665	145,200	150,556	118,161	121,663
Total Operating Revenues	4,172,102	4,126,609	1,938,963	1,846,875	495,735	508,496
<b>Operating Expenses</b>						
Personal services	335,685	312,767	897,947	874,716	370,700	342,542
Contractual services, supplies, materials and other	6,622,903	6,710,466	1,490,361	1,857,455	323,818	406,802
Depreciation	2,603,695	1,211,370	168,394	166,187	72,310	40,445
Total Operating Expenses	9,562,283	8,234,603	2,556,702	2,898,358	766,828	789,789
Operating Loss	(\$5,390,181)	(\$4,107,994)	(\$617,739)	(\$1,051,483)	(\$271,093)	(\$281,293)

The enterprise funds' operating revenue increased by \$124,820 from the prior year; totaling \$6,606,800 in fiscal year 2004 and \$6,481,980 in fiscal year 2003. These operating revenue increases are attributable to increases in revenue generating activity.

The enterprise funds' operating expenses increased by \$963,063 from the prior year; totaling \$12,885,813 in fiscal year 2004 and \$11,922,750 in fiscal year 2003. These operating expenses increase was substantially due to increases in contractual service agreements, increased maintenance costs and general inflation.

### **Budgetary Highlights**

In accordance with the Parish Charter and state statute, the Parish Council adopts the annual operating and capital improvement budget for the Parish by the end of the prior year.

Over the course of the year, the Parish Council revises the Parish's budget numerous times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts we estimated in October 2003). The second category includes changes that the Council made during the mid-year budget review process. The third category involves various amendments based on changing needs and additional information to prevent budget overruns and better meet the needs of the Parish.

Even with the budget adjustments, the General Fund experienced significant budget variances. The expenditure budget had a positive budget variance of \$3,755,128 (actual expenditures were below the final budget amounts). The most significant positive expenditure variance of \$1,439,773 occurred in the General Fund's public works function. The revenue budget had a positive budget variance of \$3,445,466 (actual revenues were above the final budget amounts). The most significant positive revenue variances occurred in the sales and use tax, oil and gas royalties, and settlements.

## Capital Assets and Debt Administration

### Capital Assets

The Parish's investment in capital assets for governmental and business-type activities as of December 31, 2004, was \$111,688,520 (net of accumulated depreciation). This investment in capital assets includes land and improvements, buildings and improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure.

The total increase in this net investment was 13% for governmental activities and 6% for business-type activities. The overall increase was 10% for the Parish as a whole. See Note 7 for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

As discussed previously, the Parish elected to implement the general provisions of GASB Statement No. 34 in a previous year and is in the process of implementing the retroactive infrastructure provisions.

The following table provides a summary of capital asset activity:

Capital Assets						
	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Non-depreciable assets:						
Land	\$7,847,740	\$7,847,740	\$52,000	\$52,000	\$7,899,740	\$7,899,740
Construction in progress	20,739,638	10,732,800	13,607,880	8,895,948	34,347,518	19,628,748
Total non-depreciable assets	28,587,378	18,580,540	13,659,880	8,947,948	42,247,258	27,528,488
Depreciable assets:						
Buildings and improvements	60,632,519	59,962,755	17,127,478	17,127,478	77,759,997	77,090,233
Improvements other than buildings	533,335	398,131	43,846,985	43,329,256	44,380,320	43,727,387
Machinery & equipment	22,485,445	22,551,411	3,544,420	3,491,485	26,029,865	26,042,896
Infrastructure	23,126,529	23,126,529	—	—	23,126,529	23,126,529
Total depreciable assets	106,777,828	106,038,826	64,518,883	63,948,219	171,296,711	169,987,045
Less accumulated depreciation	(67,393,284)	(65,348,590)	(34,462,165)	(31,739,907)	(101,855,449)	(97,088,497)
Book value-depreciable assets	39,384,544	40,690,236	30,056,718	32,208,312	69,441,262	72,898,548
Percentage depreciated	63%	62%	53%	50%	59%	57%
Book value-all assets	\$67,971,922	\$59,270,776	\$43,716,598	\$41,156,260	\$111,688,520	\$100,427,036

### Debt Administration

At year-end, the Parish had total bonded debt outstanding of \$21,665,000 for 2004 and \$13,795,000 for 2003. During the year, the Parish retired \$2,130,000 of the outstanding bonded debt and issued \$10,000,000 of revenue bonds.

In addition to bonded debt, the Parish's long-term obligations include capital leases, and litigation and claims. See Note 17 for additional information on the Parish's long-term obligations.

## **Economic Conditions Affecting the Parish**

The primary revenue streams for the Parish are sales taxes, ad valorem taxes, oil and gas royalties, and parish royalty funds from the state. The Parish's revenues are subject to changes in the economy. Since sales are considered an "elastic" revenue stream, tax collections are higher in a flourishing economy and are lower in a depressed economy. Additionally, fluctuations in oil and gas price and production have a significant impact of the Parish's revenues.

The Parish has taken measures to minimize the impact from fluctuations in the oil and gas market through establishment of a fund balance designation for bond indebtedness. The fund accumulates the oil and gas revenue, over established price levels, to be set aside and used for payment of bonded debt in years where oil and gas revenue projections are low. The fund has a cap of \$10,000,000; the balance at the end of 2004 in the fund balance designation for bond indebtedness is \$10,000,000.

## **Contacting the Parish's Financial Management**

This financial report is designed to provide a general overview of the Parish's finances, comply with finance-related laws and regulations, and demonstrate the Parish's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Parish Finance Manager's office at 7163 Highway 39, Suite 108, Braithwaite, Louisiana 70040.

## **Government-Wide Financial Statements**

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana**

**Statement A**

**Statement of Net Assets  
December 31, 2004**

	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$40,430,582	\$1,378,555	\$41,809,137
Investments	9,161,891	351,538	9,513,429
Receivables (net of allowances for uncollectibles)	34,360,895	4,048,679	38,409,574
Internal balances	4,906,976	(4,906,976)	---
Prepaid items	901,772	2,140	903,912
<b>Total Current Assets</b>	<b>89,762,116</b>	<b>873,936</b>	<b>90,636,052</b>
<b>Noncurrent Assets:</b>			
Internal balances	2,127,170	(2,127,170)	---
Net Capital Assets	67,971,922	43,716,598	111,688,520
<b>Total Noncurrent Assets</b>	<b>70,099,092</b>	<b>41,589,428</b>	<b>111,688,520</b>
<b>Total Assets</b>	<b>\$159,861,208</b>	<b>\$42,463,364</b>	<b>\$202,324,572</b>
<b>Liabilities:</b>			
<b>Current Liabilities:</b>			
Accounts, salaries and other payables	\$1,991,286	\$793,804	\$2,785,090
Contracts and retainage payable	264,364	10,211	274,575
Bonds payable	3,045,000	---	3,045,000
Capital leases payable	46,809	2,139	48,948
Accrued interest payable	284,433	---	284,433
Compensated absences payable	641,767	66,973	708,740
Deposits due others	16,950	---	16,950
Other liabilities	258,409	412,497	670,906
<b>Total Current Liabilities</b>	<b>6,549,018</b>	<b>1,285,624</b>	<b>7,834,642</b>
<b>Noncurrent Liabilities:</b>			
Claims and litigation payable	7,717,860	---	7,717,860
Capital leases payable	68,319	2,905	71,224
Bonds payable-long term	18,620,000	---	18,620,000
<b>Total Noncurrent Liabilities</b>	<b>26,406,179</b>	<b>2,905</b>	<b>26,409,084</b>
<b>Total Liabilities</b>	<b>32,955,197</b>	<b>1,288,529</b>	<b>34,243,726</b>
<b>Net Assets:</b>			
Invested in capital assets, net of related debt	46,306,922	43,716,598	90,023,520
Restricted	10,485,543	---	10,485,543
Unrestricted (Deficit)	70,113,546	(2,541,763)	67,571,783
<b>Total Net Assets</b>	<b>126,906,011</b>	<b>41,174,835</b>	<b>168,080,846</b>
<b>Total Liabilities and Net Assets</b>	<b>\$159,861,208</b>	<b>\$42,463,364</b>	<b>\$202,324,572</b>

The accompanying notes are an integral part of this statement.



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## **Fund Financial Statements**

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Funds**

**Statement C**

**Balance Sheet  
December 31, 2004**

	General Fund	Road Maintenance	Public Health	Solid Waste	Revenue Bonds Series 2004 Sewer Projects	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>							
Cash and cash equivalents	\$28,294,719	\$335,405	\$2,889	\$773,080	\$10,096,837	\$927,652	\$40,430,582
Investments	8,527,532	2,095	---	29,307	---	602,957	9,161,891
Receivables (net of allowances for uncollectibles)	28,105,227	1,128,732	942,131	3,031,805	---	1,153,000	34,360,895
Due from other funds	5,407,418	---	472,578	---	810	396,320	6,277,126
Prepaid items	901,772	---	---	---	---	---	901,772
Interfund loan	2,127,170	---	---	---	---	---	2,127,170
<b>Total Assets</b>	<b>\$73,363,838</b>	<b>\$1,466,232</b>	<b>\$1,417,598</b>	<b>\$3,834,192</b>	<b>\$10,097,647</b>	<b>\$3,079,929</b>	<b>\$93,259,436</b>
<b>Liabilities:</b>							
Accounts, salaries and other payables	\$1,669,860	\$62,084	\$115,042	\$131,063	\$190	\$13,047	\$1,991,286
Contracts and retainage payable	162,458	---	---	---	---	101,906	264,364
Deferred revenues	2,476,729	1,017,513	676,451	2,688,736	---	676,451	7,535,880
Compensated absences payable	421,730	55,129	94,497	49,565	---	20,846	641,767
Deposits due others	16,650	---	300	---	---	---	16,950
Due to other funds	344,524	---	360,000	---	95,064	570,562	1,370,150
Other liabilities	102,689	31,319	20,821	82,759	---	20,821	258,409
<b>Total Liabilities</b>	<b>5,194,640</b>	<b>1,166,045</b>	<b>1,267,111</b>	<b>2,952,123</b>	<b>95,254</b>	<b>1,403,633</b>	<b>12,078,806</b>
<b>Fund Balances:</b>							
Reserved	6,326,186	300,187	150,487	882,069	---	317,363	7,976,292
Designated	34,785,021	---	---	---	10,002,393	291,859	45,079,273
Unreserved							
General Fund	27,057,991	---	---	---	---	---	27,057,991
Special Revenue Funds	---	---	---	---	---	1,067,074	1,067,074
<b>Total Fund Balances</b>	<b>68,169,198</b>	<b>300,187</b>	<b>150,487</b>	<b>882,069</b>	<b>10,002,393</b>	<b>1,676,296</b>	<b>81,180,630</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$73,363,838</b>	<b>\$1,466,232</b>	<b>\$1,417,598</b>	<b>\$3,834,192</b>	<b>\$10,097,647</b>	<b>\$3,079,929</b>	<b>\$93,259,436</b>

The accompanying notes are an integral part of this statement.

Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Funds

Statement C

Balance Sheet  
December 31, 2004

Reconciliation of the Governmental Funds Balance Sheets to the  
Government-Wide Financial Statement of Net Assets

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Fund Balances of Governmental Funds		<u>\$81,180,630</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		67,971,922
Liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Accrued interest payable	(284,433)	
Claims and litigation	(7,717,860)	
Capital leases	(115,128)	
Bonds payable	<u>(21,665,000)</u>	
		(29,782,421)
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		<u>7,535,880</u>
Net Assets of Governmental Activities		<u>\$126,906,011</u>

The accompanying notes are an integral part of this statement.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Funds**

**Statement D**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2004**

	General Fund	Road Maintenance	Public Health	Solid Waste	Revenue Bonds Series 2004 Sewer Projects	Capital Improvements	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>								
Taxes:								
Ad valorem	\$2,445,061	\$1,002,422	\$668,281	\$2,657,213	\$---	\$---	\$668,281	\$7,441,258
Sales and use	5,871,302	---	---	---	---	---	92,207	5,963,509
Other taxes, penalties, interest, etc.	83,856	---	---	---	---	---	---	83,856
Licenses and permits	1,527,088	---	---	---	---	---	---	1,527,088
Intergovernmental revenues:								
Federal grants	698,731	8,710	26,005	23,087	---	5,085,111	1,067,511	6,909,155
State funds:								
Parish transportation funds	---	---	---	---	---	---	271,412	271,412
State revenue sharing	35,755	14,661	9,772	38,858	---	---	9,772	108,818
Parish royalty fund	12,703,126	---	---	---	---	---	2,680,278	15,383,404
Other	1,056,219	168,743	---	---	---	230,889	29,060	1,484,911
Fees, charges, and commissions for services	594,578	390	1,198,690	739,315	---	---	355,143	2,888,116
Fines and forfeitures	---	---	---	---	---	---	356,274	356,274
Use of money and property	11,550,620	3,679	944	17,816	94,153	---	36,842	11,704,054
Other revenues	28,999,370	205	475,480	11,574	---	55,347	113,657	29,655,633
<b>Total Revenues</b>	<b>65,565,706</b>	<b>1,198,810</b>	<b>2,379,172</b>	<b>3,487,863</b>	<b>94,153</b>	<b>5,371,347</b>	<b>5,680,437</b>	<b>83,777,488</b>
<b>Expenditures</b>								
Current:								
General government	18,541,464	---	---	---	---	---	52,158	18,593,622
Public safety	624,009	---	---	---	---	---	---	624,009
Public works	4,882,487	2,859,045	---	3,926,996	91,760	11,177,014	2,631,227	25,568,529
Health and welfare	952,207	---	3,954,922	---	---	---	387,261	5,274,390
Culture and recreation	1,464,979	---	---	---	---	---	648,611	2,113,590
Economic development and assistance	98,332	---	---	---	---	---	---	98,332
Transportation	2,630,079	---	---	---	---	---	---	2,630,079
Debt service	---	---	---	---	---	---	2,772,485	2,772,485
<b>Total Expenditures</b>	<b>29,193,557</b>	<b>2,859,045</b>	<b>3,954,922</b>	<b>3,926,996</b>	<b>91,760</b>	<b>11,177,014</b>	<b>6,471,742</b>	<b>57,675,036</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>36,372,149</b>	<b>(1,660,235)</b>	<b>(1,575,750)</b>	<b>(439,133)</b>	<b>2,393</b>	<b>(5,805,667)</b>	<b>(791,305)</b>	<b>26,102,452</b>
<b>Other Financing Sources (Uses)</b>								
Transfers in	272,504	1,943,549	1,714,303	1,127,533	---	5,805,667	523,441	11,386,997
Transfers out	(12,214,255)	---	---	---	---	---	(438,998)	(12,653,253)
Sale of capital assets	73,954	---	---	---	---	---	---	73,954
Capital Leases	96,073	---	---	---	---	---	---	96,073
Proceeds from long-term bonds	---	---	---	---	10,000,000	---	---	10,000,000
<b>Net Other Financing Sources (Uses)</b>	<b>(11,771,724)</b>	<b>1,943,549</b>	<b>1,714,303</b>	<b>1,127,533</b>	<b>10,000,000</b>	<b>5,805,667</b>	<b>84,443</b>	<b>8,903,771</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>24,600,425</b>	<b>283,314</b>	<b>138,553</b>	<b>688,400</b>	<b>10,002,393</b>	<b>---</b>	<b>(706,862)</b>	<b>35,006,223</b>
<b>Fund Balances at Beginning of Year</b>	<b>43,568,773</b>	<b>16,873</b>	<b>11,934</b>	<b>193,669</b>	<b>---</b>	<b>---</b>	<b>2,383,158</b>	<b>46,174,407</b>
<b>Fund Balances at End of Year</b>	<b>\$68,169,198</b>	<b>\$300,187</b>	<b>\$150,487</b>	<b>\$882,069</b>	<b>\$10,002,393</b>	<b>\$---</b>	<b>\$1,676,296</b>	<b>\$81,180,630</b>

The accompanying notes are an integral part of this statement.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Funds**

**Statement D**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2004**

**Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities**

**Amounts reported for governmental activities in the Statement of Activities are different because:**

Net Change in Fund Balances of Governmental Funds		<u>\$35,006,223</u>
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		8,701,146
Revenue in the Statement of Activities that do not provide current resources are not reported as revenues in the funds.		212,267
Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the Statement of Net Assets		(10,000,000)
Some expense reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Claims and litigation	(4,071,860)	
Retirement of tax collection	(4,534)	
Deferred Revenue	<u>4,000</u>	
		(4,072,394)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces liabilities in the Statement of Net Assets.		
Capital leases	(58,026)	
Bond Principal	<u>2,130,000</u>	
		2,071,974
Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding obligations on the Statement of Activities.		<u>(55,576)</u>
Change in Net Assets of Governmental Activities		<u>\$31,863,640</u>

The accompanying notes are an integral part of this statement.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Proprietary Funds**

**Statement E**

**Statement of Net Assets  
December 31, 2004**

	Water and Sewer	Port, Harbor and Terminal	Other Proprietary Funds	Total
<b>Assets</b>				
<b>Current Assets:</b>				
Cash and cash equivalents	\$28,810	\$1,344,077	\$5,668	\$1,378,555
Investments	---	351,059	479	351,538
Receivables (net of allowances for uncollectibles)	3,382,024	663,299	3,356	4,048,679
Due from other funds	---	2,483	---	2,483
Prepaid items	2,140	---	---	2,140
<b>Total Current Assets</b>	<b>3,412,974</b>	<b>2,360,918</b>	<b>9,503</b>	<b>5,783,395</b>
<b>Noncurrent Assets:</b>				
Net Capital Assets	38,398,329	4,754,610	563,659	43,716,598
<b>Total Assets</b>	<b>\$41,811,303</b>	<b>\$7,115,528</b>	<b>\$573,162</b>	<b>\$49,499,993</b>
<b>Liabilities:</b>				
<b>Current Liabilities:</b>				
Accounts payable	\$286,589	\$491,144	\$16,071	\$793,804
Contracts and retainage payable	---	10,211	---	10,211
Capital leases payable	535	1,604	---	2,139
Compensated absences payable	5,796	41,159	20,018	66,973
Due to other funds	3,650,000	1,054,459	205,000	4,909,459
Other liabilities	399,997	12,500	---	412,497
<b>Total Current Liabilities</b>	<b>4,342,917</b>	<b>1,611,077</b>	<b>241,089</b>	<b>6,195,083</b>
<b>Non-Current Liabilities:</b>				
Capital leases payable	---	2,905	---	2,905
Interfund loan	2,127,170	---	---	2,127,170
<b>Total Noncurrent Liabilities</b>	<b>2,127,170</b>	<b>2,905</b>	<b>---</b>	<b>2,130,075</b>
<b>Total Liabilities</b>	<b>6,470,087</b>	<b>1,613,982</b>	<b>241,089</b>	<b>8,325,158</b>
<b>Net Assets:</b>				
Invested in capital assets, net of related debt	38,398,329	4,754,610	563,659	43,716,598
Unrestricted	(3,057,113)	746,936	(231,586)	(2,541,763)
<b>Total Net Assets</b>	<b>35,341,216</b>	<b>5,501,546</b>	<b>332,073</b>	<b>41,174,835</b>
<b>Total Liabilities and Net Assets</b>	<b>\$41,811,303</b>	<b>\$7,115,528</b>	<b>\$573,162</b>	<b>\$49,499,993</b>

The accompanying notes are an integral part of this statement.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Proprietary Funds**

**Statement F**

**Statement of Revenues, Expenses and Changes in Net Assets  
For the Year Ended December 31, 2004**

	Water and Sewer	Port, Harbor and Terminal	Other Proprietary Funds	Total
<b>Operating Revenues</b>				
Charges for services	\$4,078,285	\$1,793,763	\$377,574	\$6,249,622
Other	93,817	145,200	118,161	357,178
<b>Total Operating Revenues</b>	4,172,102	1,938,963	495,735	6,606,800
<b>Operating Expenses</b>				
Personal services	335,685	897,947	370,700	1,604,332
Contractual services, supplies, materials and other	6,622,903	1,490,361	323,818	8,437,082
Depreciation	2,603,695	168,394	72,310	2,844,399
<b>Total Operating Expenses</b>	9,562,283	2,556,702	766,828	12,885,813
<b>Operating Loss</b>	(5,390,181)	(617,739)	(271,093)	(6,279,013)
<b>Non-Operating Revenues (Expenses)</b>				
Interest revenue	3,774	31,947	5	35,726
Interest expense	---	(240)	---	(240)
Ad valorem taxes	2,788,540	---	---	2,788,540
Other	19,627	845	(5,114)	15,358
<b>Net Non-Operating Revenues (Expenses)</b>	2,811,941	32,552	(5,109)	2,839,384
<b>Net Loss Before Contributions and Transfers</b>	(2,578,240)	(585,187)	(276,202)	(3,439,629)
<b>Capital Contributions</b>	2,731,135	640,795	(1,651)	3,370,279
<b>Transfers In</b>	1,019,893	---	263,626	1,283,519
<b>Transfers Out</b>	(17,263)	---	---	(17,263)
<b>Change in Net Assets</b>	1,155,525	55,608	(14,227)	1,196,906
<b>Net Assets-Beginning</b>	34,185,691	5,445,938	346,300	39,977,929
<b>Net Assets-Ending</b>	\$35,341,216	\$5,501,546	\$332,073	\$41,174,835

The accompanying notes are an integral part of this statement.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Proprietary Funds**

**Statement G**

**Statement of Cash Flows  
For the Year Ended December 31, 2004**

	Water and Sewer	Port, Harbor and Terminal	Other Proprietary Funds	Total
<b>Cash Flows From Operating Activities:</b>				
Cash received from customers	\$4,065,390	\$1,770,065	\$496,105	\$6,331,560
Cash operating grants received from other governments	---	145,200	---	145,200
Cash payments for goods and services	(6,511,845)	(1,055,543)	(322,483)	(7,889,871)
Cash payments to employees	(335,672)	(897,453)	(366,348)	(1,599,473)
<b>Net Cash Used by Operating Activities</b>	<b>(2,782,127)</b>	<b>(37,731)</b>	<b>(192,726)</b>	<b>(3,012,584)</b>
<b>Cash Flows From Non-Capital Financing Activities:</b>				
Ad valorem tax collections	2,788,540	---	---	2,788,540
Other non-operating revenues	23,226	845	---	24,071
Operating transfers in	1,019,893	---	263,626	1,283,519
Payments on short-term loan from other funds	1,037,149	(2,228,264)	13,249	(1,177,866)
<b>Net Cash Provided by (Used by) Non-Capital Financing Activities</b>	<b>4,868,808</b>	<b>(2,227,419)</b>	<b>276,875</b>	<b>2,918,264</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>				
Acquisition/construction of capital assets	(1,953,526)	(3,895)	(85,750)	(2,043,171)
Decrease in intergovernmental receivables	(102,718)	(209,392)	---	(312,110)
Operating transfers out	(17,263)	---	---	(17,263)
Decrease in contracts and retainage payable	---	10,211	---	10,211
Interest paid	---	(240)	---	(240)
<b>Net Cash Used By Capital and Related Financing Activities</b>	<b>(2,073,507)</b>	<b>(203,316)</b>	<b>(85,750)</b>	<b>(2,362,573)</b>
<b>Cash Flows From Investing Activities:</b>				
Interest received on time deposits	3,774	31,947	5	35,726
Payments for investments	---	2,387,756	(5)	2,387,751
<b>Net Cash Provided by Investing Activities</b>	<b>3,774</b>	<b>2,419,703</b>	<b>---</b>	<b>2,423,477</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>16,948</b>	<b>(48,763)</b>	<b>(1,601)</b>	<b>(33,416)</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>11,862</b>	<b>1,392,840</b>	<b>7,269</b>	<b>1,411,971</b>
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$28,810</b>	<b>\$1,344,077</b>	<b>\$5,668</b>	<b>\$1,378,555</b>
<b>Reconciliation of Operating Loss to Net Cash Used by Operating Activities:</b>				
Operating loss	(\$5,390,181)	(\$617,739)	(\$271,093)	(\$6,279,013)
Adjustments to reconcile operating loss to net cash used by operating activities:				
Depreciation	2,603,695	168,394	72,310	2,844,399
Change in assets and liabilities:				
(Increase) decrease in receivables and other current assets	(106,636)	(23,698)	370	(129,964)
Increase in accounts payable	93,524	418,859	1,337	513,720
Increase in other liabilities	17,471	16,453	4,350	38,274
<b>Net Cash Used by Operating Activities</b>	<b>(2,782,127)</b>	<b>(37,731)</b>	<b>(192,726)</b>	<b>(3,012,584)</b>

The accompanying notes are an integral part of this statement.

Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Agency Funds

Statement H

Statement of Assets and Liabilities  
December 31, 2004

<b>Assets</b>	
Cash and cash equivalents	\$1,386,460
Investments	236,405
Receivables (net of allowances for uncollectibles)	91
<b>Total Assets</b>	<b>\$1,622,956</b>
<b>Liabilities</b>	
Deposits due others	\$1,234,925
Other liabilities	388,031
<b>Total Liabilities</b>	<b>\$1,622,956</b>

The accompanying notes are an integral part of this statement.

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## **Notes To Basic Financial Statements**

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**Notes to Basic Financial Statements**  
**December 31, 2004**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. INTRODUCTION**

The Plaquemines Parish Government (the Parish) is the governing authority for Plaquemines Parish and is a political subdivision of the State of Louisiana established in 1807. For administrative and reporting purposes, the Parish is known as the Plaquemines Parish Government. The Parish operates under the President-Council form of government as established by the Charter for Local Self-Government for the Parish of Plaquemines, implemented in 1987. The parish council consists of nine members who are elected to represent each of the nine districts. The parish president, elected by the voters of the Parish, is the chief executive officer of the Parish and is responsible for carrying out the policies adopted by the Parish and for administration of all parish departments, offices and agencies. The parish council and the parish president serve four-year terms, which expire on December 31, 2006.

Plaquemines Parish occupies 1,986 square miles with a population of approximately 28,000. The Parish maintains approximately 116 miles of roads, of which 57 miles are paved, 37 miles are asphalt, and 22 miles are shelled. The Parish has a total of approximately 630 employees. The Parish Council office is located in Pointe a la Hache.

Louisiana Revised Statute 33:1236 gives the Parish various powers in regulating and directing the affairs of the Parish and its inhabitants. The more notable of those are the powers to make regulations for its own government; to regulate the construction and maintenance of roads, bridges and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged and unemployed in the Parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, state revenue sharing, various state and federal grants, service charges and royalties from oil and gas.

The Parish's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 that do not conflict with or contradict GASB pronouncements. Although the Parish has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Parish has chosen not to do so. The more significant accounting policies established in GAAP and used by the Parish are discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. Certain of the significant changes in the Statement include the following:

1. A Management Discussion and Analysis (MD&A) section providing analysis of the Parish's overall financial position and results of operations.
2. Financial statements prepared using full accrual accounting for all the Parish's activities.
3. A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to the financial statements).

**B. REPORTING ENTITY**

As the governing authority of the Parish, for reporting purposes, the Plaquemines Parish Government is the reporting entity for Plaquemines Parish. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Plaquemines Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the parish government to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or to impose specific financial burdens on the parish government.
2. Organizations for which the parish government does not appoint a voting majority but are fiscally dependent upon the parish government.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Parish has determined that the following component units are part of the reporting entity:

Component Unit	Fiscal Year End	Criteria Used
Clerk of Court	June 30	2
Tax Assessor	December 31	2
District Attorney	December 31	2
Medical Center	December 31	1a, 1b
Economic Development Board	December 31	1a, 1b

The Parish has chosen to issue financial statements of the primary government only; therefore, none of the previously listed component units are included in the accompanying financial statements.

Organizations for which the Parish maintains accounting records are considered part of the primary government and include the Twenty-Fifth Judicial District Criminal Court Fund.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but, rather, are intended to reflect only the financial statements of the primary government.

Considered in the determination of component units of the reporting entity were the Plaquemines Parish Sheriff, School Board, and Indigent Defender Board. It was determined that these governmental entities are not component units of the Plaquemines Parish Government reporting entity because they have separately elected governing bodies, are legally separate and are fiscally independent of the Plaquemines Parish Government.

### C. BASIC FINANCIAL STATEMENT-- GOVERNMENT-WIDE STATEMENTS

The Parish's basic financial statements include both government-wide (reporting the Parish as a whole) and fund financial statements (reporting the Parish's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Parish's public safety, parks, recreation, libraries, public works and general administrative services are classified as governmental activities. The Parish's water and sewer, port, golf course and boat harbor services are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Parish's net assets are reported in three parts—invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Parish first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Parish's functions and business-type activities (public safety, public works, etc.). The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, oil and gas royalties, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public works, public safety, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, oil and gas royalties, etc).

This government-wide focus is more on the sustainability of the Parish as an entity and the change in the Parish's net assets resulting from the current year's activities.

### D. BASIC FINANCIAL STATEMENTS--FUND FINANCIAL STATEMENTS

#### 1. Fund Types

The financial transactions of the Parish are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

PLAQUEMINES PARISH GOVERNMENT  
Pointe a la Hache, Louisiana  
Notes to Basic Financial Statements  
December 31, 2004

The following fund types are used by the Parish:

a. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Parish:

- 1) General fund is the general operating fund of the Parish. It is used to account for all financial resources, except those required to be accounted for in another fund.
- 2) Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- 3) Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.
- 4) Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds).

b. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Parish:

- 1) Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

c. Fiduciary Funds:

- 1) Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Parish programs. The reporting focus is on net assets and changes in net assets and are reported using accounting principles similar to proprietary funds.

The Parish's fiduciary funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

2. Major and Nonmajor Funds

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Parish may determine as a major fund any fund whose classification as a nonmajor fund may be misleading to the reader. The nonmajor funds are combined in a column in the fund financial statements.

PLAQUEMINES PARISH GOVERNMENT  
Pointe a la Hache, Louisiana  
Notes to Basic Financial Statements  
December 31, 2004

The funds classified as major are as follows:

- a. Major Funds:
  - 1) General Fund
  - 2) Special Revenue Funds:
    - (a) Road Maintenance Fund
    - (b) Public Health Fund
    - (c) Solid Waste Fund
  - 3) Capital Projects Fund:
    - (a) Sewer Improvements-Series 2004
    - (b) Capital Improvements
  - 4) Proprietary Funds:
    - (a) Waterworks and Sewer Fund
    - (b) Port, Harbor and Terminal District Fund

3. Measurement Focus:

Measurement focus refers to the identification of which transactions are recognized in the accounts and recorded within the various financial statements. It relates to the inflow and outflow of resources.

a. Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Parish are included on the statement of net assets.

b. Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the enterprise funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in revenues, expenses, and net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows reflects how the Parish finances and meets the cash flow needs of its enterprise activities.

## E. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: charges to customers or applicants for goods, services, or privileges provided; operating grants and contributions; and capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations (charges for services, etc.). Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Parish's policy to use restricted resources first, and then unrestricted resources as they are needed.

## F. BUDGET PRACTICES

The proposed budget for the Parish for the year ended December 31, 2004, was completed and made available for public inspection on October 23, 2003. The operating and capital improvement budgets were formally adopted by ordinance 03-271 and ordinance 03-272, dated November 13, 2003.

The budgets for the General and Special Revenue Funds were prepared on the modified accrual basis of accounting, consistent with GAAP. The Capital Projects Funds' budgets were prepared on a project basis and, therefore, are not presented.

Formal budgetary integration is employed as a management control device for the General, Special Revenue, Capital Projects and Enterprise Funds. Budget comparison is used to control the operations of the Parish.

With the exception of a few departments, which are controlled at the department or division level, the Parish exercises budgetary control at the department/function level. Unexpended operating appropriations lapse at year-end and must be reappropriated in the next year's budget to be expended.

The budget comparison schedule included in the accompanying financial statements contains the original adopted budget and all subsequent amendments for the major governmental funds.

Amendments to the operating budget must be adopted by ordinance of the parish council.

**G. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Parish may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**H. INVESTMENTS**

Investments are limited by R.S.33:2955 and the Parish's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. State law and the police jury's investment policy allow the Parish to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

**I. PREPAID ITEMS**

The Parish establishes prepaid expenditures for liability insurance, payments in advance, travel advances and postage. Payments made for such items that will benefit periods beyond December 31, 2004, are recorded as prepaid items.

**J. RESTRICTED ASSETS**

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset.

**K. CAPITAL ASSETS**

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets, other than land and construction in progress, is provided on the straight-line basis over the following estimated useful lives:

Description	Years Depreciated	Reporting Threshold
Land	N/A	\$1
Land Improvements	20-30	\$25,000
Buildings	25-40	\$50,000
Buildings Improvements	7-30	\$50,000
Infrastructure	20-50	\$250,000
Machinery and Equipment	5-15	\$5,000

GASB Statement No. 34 requires the Parish to report and depreciate new infrastructure assets effective with the beginning of the current year. Infrastructure assets include roads, bridges, levees, etc. These infrastructure assets are likely to be the largest asset class of the Parish. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period and is first effective for fiscal years ending in 2006. The Parish implemented the general provisions of GASB Statement No. 34 in a previous year and is in the process of implementing the retroactive infrastructure provisions. The process for implementing the retroactive infrastructure will be complete by the fiscal year ending December 31, 2006.

#### **L. COMPENSATED ABSENCES**

The Parish has the following policy relating to annual leave and sick leave:

1. Annual Leave  
Depending upon length of service, full-time employees of the Parish earned annual leave for each bi-weekly pay period worked for a total of 13 to 26 days per year. The annual leave may be accumulated, up to 30 days per employee at year-end, and is recorded as a current liability as of December 31, 2004.
2. Sick Leave  
Full-time employees of the Parish earned and accumulated sick leave for each bi-weekly pay period worked equivalent to one-half the hours of a regular day with pay. Sick leave does not vest and employees are not compensated for unused sick leave upon termination.

*The entire compensated absences liability is reported on the government-wide financial statements and fund financial statements.*

#### **M. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS**

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the enterprise funds are reported on the enterprise fund financial statements.

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. Loans and capital leases are recognized as a liability on the fund financial statements when due.

#### **N. NET ASSETS**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the Parish or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Parish's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

#### **O. FUND EQUITY**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

#### **P. OPERATING REVENUES AND EXPENSES**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

#### **Q. INTERFUND TRANSACTIONS**

Interfund activity is reported as either loans, services provided, reimbursements or transfers.

Interfund receivables/payables are used to account for amounts owed to a particular fund by another fund. This includes long-term and short-term obligations, such as expenditures that are the legal responsibility of one fund paid by another fund, with the understanding that the latter will be reimbursed by the former fund. Interfund receivables and payables are subject to elimination upon consolidation.

Services provided are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

#### **R. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

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**2. LEVIED TAXES**

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 2004:

Parish-Wide Taxes	Authorized Millage	Levied Millage	Expiration Date
Parish (alimony tax)	4.61	4.35	12/31/09
Road Maintenance	1.89	1.79	12/31/09
Water	2.52	2.38	12/31/09
Library	1.26	1.19	12/31/09
Pollution Control	2.52	2.38	12/31/09
Public Health	1.26	1.19	12/31/09
Waste Disposal	3.75	3.54	12/31/09
Incineration	1.26	1.19	12/31/09
<b>Total</b>	<b>19.07</b>	<b>18.01</b>	

The following are the principal taxpayers for the Parish:

Taxpayer	Type of Business	Assessed Value	Percentage
ConocoPhillips Petroleum Co.	Oil/Gas	\$70,699,580	11.99%
ChevronTexaco/Chevron Chemical/Chevron USA	Oil/Gas & Chemical	42,295,190	7.17%
Kirby Inland Marine, LP	Watercraft	30,702,880	5.21%
Energy Partners, LTD	Oil/Gas	22,318,830	3.79%
TECO Bulk Terminal, LLC	Coal	18,985,705	3.22%
AEP Memco, LLC	Public Utility	17,123,770	2.90%
Devon Louisiana Corporation	Oil/Gas & Watercraft	12,973,280	2.20%
Colonial Pipeline Co.	Public Utility	11,124,260	1.89%
Shell Offshore/Shell Pipeline	Oil/Gas & Pipelines	9,671,580	1.64%
Tennessee Gas Pipeline	Public Utility	7,904,600	1.34%
<b>Total</b>		<b>\$243,799,675</b>	<b>41.35%</b>

### 3. CASH AND CASH EQUIVALENTS

At December 31, 2004, the Parish has cash equivalents (book balances) totaling \$43,195,597 as follows:

Demand Deposit and Money Market Accounts	\$32,575,445
Restricted Cash	10,620,152
Total	\$43,195,597

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledged securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must, at all times, equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Restricted cash includes balances for bond indebtedness and escrow accounts.

At December 31, 2004, the Parish has \$44,633,991 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$44,841,739 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 1).

### 4. INVESTMENTS

At December 31, 2004, the Parish has investments (book balances) totaling \$9,635,080 as follows:

Unrestricted	\$8,801,558
Restricted	833,522
Total	\$9,635,080

Investments held by Plaquemines Parish Government consist of \$9,635,080 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP by Plaquemines Parish Government is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in A investment grade (A-1/P-1) commercial paper of domestic United States corporations. Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

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The dollar weighted average portfolio maturity at LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

The Parish employees may participate in a deferred compensation plan (Note 9). At December 31, 2004, the plan administrator held life insurance contracts and annuities for plan participants valued at \$114,754. These assets are valued at cash surrender value for the life insurance contracts and at fair market value for the annuities.

## 5. RECEIVABLES

At December 31, 2004, the Parish has net receivables totaling \$38,409,665 as follows:

Class of Receivable	Governmental Funds			Business-Type Funds	Fiduciary Fund
	General	Special Revenue	Capital Projects	Enterprise	Agency
<b>Taxes:</b>					
Ad Valorem	\$2,564,689	\$5,247,292	\$ --	\$2,806,417	\$ --
Sales	622,725	--	--	--	--
Other	60,561	48,350	--	25,854	--
<b>Intergovernmental:</b>					
Federal	1,053,580	244,435	311,704	316,013	--
State	4,308,224	44,296	--	5,445	--
Local	830,704	73,154	--	--	--
Accounts	--	254,915	--	1,063,168	--
Payroll	(1,724)	--	--	--	--
Other	20,879,432	191,380	--	14,417	91
<b>Gross Receivables</b>	<b>30,318,191</b>	<b>6,103,822</b>	<b>311,704</b>	<b>4,231,314</b>	<b>91</b>
<b>Less-Allowances for Uncollectibles</b>	<b>(2,212,964)</b>	<b>(159,858)</b>	<b>--</b>	<b>(182,635)</b>	<b>--</b>
<b>Net Receivables</b>	<b>\$28,105,227</b>	<b>\$5,943,964</b>	<b>\$311,704</b>	<b>\$4,048,679</b>	<b>\$91</b>

## **6. PENSION PLAN**

### Plan Description:

Substantially all employees of the Parish are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Parish are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 65 with at least 7 years of creditable service, at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3 percent of final-average salary for each year of service credited after the revision date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619 or by calling (225) 928-1361.

### Funding Policy:

Under Plan A, members are required by state statute to contribute 9.25 percent of their annual covered salary, and the Parish is required to contribute at an actuarially determined rate. The current rate is 12.75 percent of annual covered payroll. Contributions to the System include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Parish are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Parish contributions to the System under Plan A for the years ending December 31, 2004, 2003, and 2002 were \$1,721,797, \$1,098,851 and \$1,086,856 respectively, equal to the required contributions for each year.

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**7. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2004, is as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
<b>Governmental Activities:</b>				
Capital assets not being depreciated				
Land	\$7,847,740	\$---	\$---	\$7,847,740
Construction in progress	10,732,800	10,857,136	(850,298)	20,739,638
Total capital assets not being depreciated	18,580,540	10,857,136	(850,298)	28,587,378
Capital assets being depreciated				
Buildings and improvements	59,962,755	715,093	(45,329)	60,632,519
Improvements other than buildings	398,131	135,204	---	533,335
Machinery and equipment	22,551,411	976,810	(1,042,776)	22,485,445
Infrastructure	23,126,529	---	---	23,126,529
Total capital assets being depreciated	106,038,826	1,827,107	(1,088,105)	106,777,828
Less accumulated depreciation				
Buildings and improvements	(34,646,423)	(1,254,046)	---	(35,900,469)
Improvements other than buildings	(21,487)	(17,671)	---	(39,158)
Machinery and equipment	(13,410,957)	(1,334,130)	859,261	(13,885,826)
Infrastructure	(17,269,723)	(298,108)	---	(17,567,831)
Total accumulated depreciation	(65,348,590)	(2,903,955)	859,261	(67,393,284)
Total capital assets being depreciated, net	40,690,236	(1,076,848)	(228,844)	39,384,544
Governmental Activities, Net	\$59,270,776	\$9,780,288	(\$1,079,142)	\$67,971,922
<b>Business-Type Activities</b>				
Capital assets not being depreciated				
Land	\$52,000	\$---	\$---	\$52,000
Construction in progress	8,895,948	5,229,660	(517,728)	13,607,880
Total capital assets not being depreciated	8,947,948	5,229,660	(517,728)	13,659,880
Capital assets being depreciated				
Buildings and improvements	17,127,478	---	---	17,127,478
Improvements other than buildings	43,329,256	517,729	---	43,846,985
Machinery and equipment	3,491,485	192,176	(139,241)	3,544,420
Total capital assets being depreciated	63,948,219	709,905	(139,241)	64,518,883
Less accumulated depreciation				
Buildings and improvements	(8,620,521)	(368,470)	---	(8,988,991)
Improvements other than buildings	(20,204,219)	(2,316,677)	---	(22,520,896)
Machinery and equipment	(2,915,167)	(159,252)	122,141	(2,952,278)
Total accumulated depreciation	(31,739,907)	(2,844,399)	122,141	(34,462,165)
Total capital assets being depreciated, net	32,208,312	(2,134,494)	(17,100)	30,056,718
Business-Type Activities, Net	\$41,156,260	\$3,095,166	(\$534,828)	\$43,716,598

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Depreciation expense was charged as follows:

Function	Governmental Funds	Business-Type Funds	Total
General Government	\$1,777,450	\$---	\$1,777,450
Public Safety	122,460	---	122,460
Public Works	601,896	---	601,896
Health and Welfare	179,849	---	179,849
Culture and Recreation	38,753	---	38,753
Transportation	183,547	---	183,547
Water and Sewer	---	2,603,695	2,603,695
Port, Harbor and Terminal	---	168,394	168,394
Golf Course	---	39,078	39,078
Boat Harbors and Shipyards	---	33,232	33,232
Total	\$2,903,955	\$2,844,399	\$5,748,354

## **8. OTHER POST-EMPLOYMENT BENEFITS**

In accordance with parish ordinances adopted in 1987 and subject to the availability of budgeted funds, eligible retired parish employees are entitled to receive supplemental retirement pay from the Parish. Eligible employees are defined as those who have worked 40 hours per week for a minimum of 10 years and have reached normal retirement age of 60 while employed and receive less than \$300 per month in Parochial Employees' Retirement System of Louisiana retirement benefits. Eligible retirees receive supplemental benefits at the rate of \$15 per month for each year of service not to exceed 20 years or a maximum amount of \$200 per month. Total amount paid to 3 retirees in 2004 was approximately \$6,765.

## **9. DEFERRED COMPENSATION PLAN**

The Parish offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. A third party, the State Mutual Life Assurance Company of America, administers the plan. The plan, which is available to all employees, permits employees to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The deferred compensation liability and asset are equal to the total cash balances for each participant's account as of December 31, 2004. The Parish has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. The Parish intends to honor its moral obligation to the participants implicit in the program. Investments under the plan total \$114,754.

## **10. POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

The Parish provides certain continuing health care and life insurance benefits for its retired employees as authorized by resolution 03-441. Substantially all of the Parish's employees become eligible for these benefits when they reach normal retirement age while working for the Parish. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid in full by the Parish or jointly by the employee and the Parish, depending upon the retiree's individual situation. The Parish recognizes the cost of providing these benefits as an expenditure when paid. For 2004, the cost to the Parish for 237 retirees totaled \$682,102.

**11. ACCOUNTS, SALARIES AND OTHER PAYABLES**

The payables of \$2,785,090 at December 31, 2004, are as follows:

Class of Payable	Governmental Funds			Business-Type Funds	Total
	General	Special Revenue	Capital Projects	Proprietary	
Withholdings	\$859,867	\$---	\$---	\$---	\$859,867
Accounts	764,162	316,124	5,302	793,804	1,879,392
Others	45,831	---	---	---	45,831
Total	\$1,669,860	\$316,124	\$5,302	\$793,804	\$2,785,090

**12. COMPENSATED ABSENCES**

At December 31, 2004, employees of the Parish have accumulated and vested \$708,740 of annual leave benefits, which is recorded as a current liability in the General Fund, Special Revenue Funds and Enterprise Funds in the amounts of \$421,730, \$220,037 and \$66,973, respectively.

**13. CAPITAL LEASES**

The Parish records items under capital leases as assets and obligations in the accompanying financial statements. The Parish entered into numerous capital lease agreements for copier machines with varying lease terms and amounts.

The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments as of December 31, 2004:

Description	Governmental Funds	Business-Type Funds	Total
Fiscal year:			
2005	\$56,949	\$2,545	\$59,494
2006	39,606	1,998	41,604
2007	31,180	1,165	32,345
2008	5,731	---	5,731
Total minimum lease payments	133,466	5,708	139,174
Less amount representing interest	(18,338)	(664)	(19,002)
Present value of net minimum lease payments	\$115,128	\$5,044	\$120,172

**14. COMMITMENTS UNDER CONTRACT**

In accordance with parish resolution 97-473 dated December 9, 1997, and amended by resolution 99-290 dated August 26, 1999, the Parish entered into a contract with ST Environmental Services, Inc., for the full service contract management, operation, maintenance and repair of its water and sewerage facilities and systems. The contract, which commenced on January 1, 1998, was automatically renewed on December 31, 2002, for a term of five additional years, ending on December 31, 2007. Thereafter, the contract is automatically renewed for the term of five years, unless canceled in writing by either party no less than 270 days prior to expiration of the then current term. The contract provides for quarterly maintenance and repair expenditures and monthly fees adjustable annually for changes in the consumer price index. The quarterly maintenance and repair expenditure is \$147,422, and the monthly fee is \$405,695.

In accordance with parish resolution 01-286 dated September 13, 2001, entered into a renewal contract with Environmental Operators, LLC for the transportation and disposal of solid waste from parish compactor stations. The contract commenced in September, 2001, and expires in September, 2006. The contract provides for a waste disposal fees of \$39.26 per ton, collection from Belle Chasse and the Eastbank, and \$41.44 per ton, collection from Port Sulphur and Boothville. Fees will be adjustable annually for changes in the consumer price index.

In accordance with parish resolution 01-285 dated September 13, 2001, entered into a renewal contract with Riverside Recycling and Disposal for the acceptance and disposal of trash from the parish Solid Waste Department. The contract commenced in September 2001, and expires in September 2006. The contract provides for trash disposal fees of \$24.04 per ton for trash delivered to Riverside Recycling. Fee will be adjustable annually for changes in the consumer price index.

**15. OTHER COMMITMENTS**

On March 6, 1964, the Parish and the Department of the Army, United States Corps of Engineers entered into an Act of Assurance and Acts of Supplemental Assurance on May 2, 1973, September 10, 1987, and December 21, 1992, for the construction of the New Orleans to Venice, Louisiana Hurricane Protection Project. The Parish's contributions, which may be met through cash or work-in-kind credit, are due at the beginning of the Corps of Engineers' fiscal year, which begins in September, for that year's projected expenditures. At year-end, the Parish establishes a fund balance reserve for the payment due the following September. Projected contributions for which fund balance reserves have not been established are as follows:

Payment Date	Contribution
September 2006	\$1,899,000
September 2007	946,000
September 2008	1,072,000
Balance to complete	3,842,000
Total	\$7,759,000

**16. SELF-INSURANCE COMMITMENTS**

The Parish is self-insured for liability claims relative to commercial liability (employer's and general) up to \$1,000,000, and auto liability up to \$2,500,000, which is supplemented by an excess bumbershoot liability policy of \$10,000,000. Coverage is maintained through an insurer rated at least A- by A.M. Best Rating. The Parish is self-insured for worker's compensation up to \$400,000 supplemented by an excess policy with coverage up to \$5,000,000 on Part A and \$1,000,000 on Part B. Fifty thousand dollars has been set aside for payment in the event of accidental death of a volunteer firefighter. This money is only payable after the accidental death payment has been made under a policy owned by the State Fire Marshall's Office. The Parish maintains all marine coverages through companies rated at least A- by A.M. Best. The Parish maintains vessel pollution coverage up to \$55,000,000 through a combination of primary, bumbershoot and excess coverages. Coverage on fixed pontoon landings is subject to a \$10,000 deductible and covered up to scheduled values. Vessel hull and machinery coverages are subject to varying deductibles and are limited to the vessel's scheduled values. Protection and indemnity for vessels and crew is self-insured by the Parish up to \$1,000,000 and then by bumbershoot and excess policies up to a total of \$51,000,000.

The Parish maintains a fund balance designation for self-insurance as disclosed in Note 22.

**17. LONG-TERM OBLIGATIONS**

The following is a summary of the long-term obligation transactions for the year ended December 31, 2004:

Description	Capital Leases	Litigation and Claims	Bonded Debt	Total
<b>Governmental Activities:</b>				
Long-term obligations payable at beginning of year	\$57,102	\$3,646,000	\$13,795,000	\$17,498,102
Additions	96,073	4,481,029	10,000,000	14,577,102
Deductions	(38,047)	(409,169)	(2,130,000)	(2,577,216)
Long-term obligations payable at end of year	\$115,128	\$7,717,860	\$21,665,000	\$29,497,988
<b>Business-Type Activities:</b>				
Long-term obligations payable at beginning of year	\$3,077	\$---	\$---	\$3,077
Additions	5,130	---	---	5,130
Deductions	(3,163)	---	---	(3,163)
Long-term obligations payable at end of year	\$5,044	\$---	\$---	\$5,044

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The following is a summary of the current (due in one year or less) and long-term (due in more than one year) portions of long-term obligations as of December 31, 2004.

Description	Capital Leases	Litigation and Claims	Bonded Debt	Total
<b>Governmental Activities:</b>				
Current Portion	\$46,809	\$---	\$3,045,000	\$3,091,809
Long-Term Portion	68,319	7,717,860	18,620,000	26,406,179
Total	\$115,128	\$7,717,860	\$21,665,000	\$29,497,988
<b>Business-Type Activities:</b>				
Current Portion	\$2,139	\$---	\$---	\$2,139
Long-Term Portion	2,905	---	---	2,905
Total	\$5,044	\$---	\$---	\$5,044

For the governmental activities, capital leases are generally liquidated by the fund incurring the obligation and litigation and claims are settled by the General Fund.

**General Obligation Bonds**

The Parish has general obligation bonds outstanding at December 31, 2004, totaling \$11,665,000, with maturities from 2005 to 2011 and interest rates from 3.8% to 4.3%. Bond principal and interest payable in the next fiscal year are \$2,215,000 and \$469,278, respectively.

General obligation bonds are comprised of the following individual issues:

General Obligation Bonds	Outstanding
\$6,645,000 - Public Improvement Bonds, Series 1999 Due in annual installments ranging from \$65,000 to \$775,000 through August 2011, with interest from 3.45% to 4.3%. Debt retirement payments are made from Public Improvement Bonds, Series 1999, Debt Service Fund.	\$4,785,000
\$11,300,000 - Public Improvement Bonds, Series 2001 Due in annual installments ranging from \$1,415,000 to \$1,840,000 through August 2008, with interest from 3.5% to 6.0%. Debt retirement payments are made from Public Improvement Bonds, Series 2001, Debt Service Fund.	6,880,000
Total General Obligation Bonds	\$11,665,000

The general obligation bonds are secured by and payable from 10 percent of the royalties received by the State of Louisiana from mineral leases on state-owned land located within Plaquemines Parish, from Parish levee district revenues, and from a pledge of the full faith and credit of the Parish.

In accordance with Louisiana Revised Statute 39:562, the Parish is legally restricted from incurring general obligation bonded debt for any one of the purposes provided by Louisiana Revised Statute 39:562 in excess of 10 percent of the assessed value of taxable property in the Parish. At December 31, 2004, the statutory limit for each purpose is \$58,958,139.

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**Revenue Bonds**

On March 1, 2004, the Parish issued \$10,000,000 of revenue bonds, Series 2004. The bonds were issued for the purpose of acquiring, constructing and improving sewers and sewerage treatment and disposal facilities within Plaquemines Parish. The revenue bonds outstanding at December 31, 2004, total \$10,000,000, with maturities from 2005 to 2014 and interest rates from 2.35% to 3.2%. Bond principal and interest payable in the next fiscal year are \$830,000 and \$256,336, respectively.

Revenue bonds are comprised of the following individual issue:

Revenue Bonds	Outstanding
\$10,000,000 - Revenue Bonds, Series 2004 Due in annual installments ranging from \$830,000 to \$1,185,000 through March 2014, with interest from 2.35% to 3.2%. Debt retirement payments are made from Revenue Bonds, Series 2004, Debt Service Fund.	\$10,000,000

The revenue bonds are payable solely from the Parish's one percent sales and use tax.

**Bonded Debt Summary**

During 2004, bond principal and interest payments on all bonded debt totaled \$2,130,000 and \$682,633, respectively. The annual requirements to amortize all bonded debt outstanding at December 31, 2004, are as follows:

Fiscal Year	Principal	Interest	Total
2005	\$3,045,000	\$725,614	\$3,770,614
2006	3,180,000	619,036	3,799,036
2007	3,315,000	505,736	3,820,736
2008	3,455,000	386,136	3,841,136
2009	1,675,000	260,858	1,935,858
2010-2014	6,995,000	521,100	7,516,100
Total	\$21,665,000	\$3,018,480	\$24,683,480

**Advance Refundings**

On April 1, 1992, the Parish refunded and defeased, in substance, \$13,360,000 of the Public Improvement Bonds Series 1988 (outstanding \$17,785,000) maturing August 1, 1999, to August 1, 2008, with the proceeds from Public Improvement Bonds Series 1992.

The net proceeds of the Public Improvement Bonds Series 1992 were used to purchase U.S. Treasury securities. These sources were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments for the Public Improvement Bonds Series 1988, maturing August 1, 1999 to August 1, 2008. As a result, the Public Improvement, Series 1988 Bonds maturing August 1, 1999 to August 1, 2008, are considered to be defeased, and the liability for the bonds have been removed from the long-term obligation account group. As of December 31, 2004, the amount of defeased debt outstanding but removed from the long-term obligation account group for Public Improvement Bonds Series 1988 was \$6,740,000.

On May 1, 1999, the Parish refunded and defeased, in substance, \$6,260,000 of the Public Improvement Bonds Series 1991 (outstanding \$7,600,000) maturing August 1, 2002 to August 1, 2011, with the proceeds from Public Improvement Bonds Series 1999.

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The net proceeds of the Public Improvement Bonds Series 1999 were used to purchase U.S. Treasury securities. These sources were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments for the Public Improvement Bonds Series 1991, maturing August 1, 2002 to August 1, 2011. As a result, the Public Improvement, Series 1991 Bonds maturing August 1, 2002 to August 1, 2011, are considered to be defeased, and the liability for the bonds have been removed from the long-term obligation account group. As of December 31, 2004, the amount of defeased debt outstanding but removed from the long-term obligation account group for Public Improvement Bonds Series 1991 was \$4,715,000.

On June 14, 2001, the Parish refunded and defeased, in substance, \$10,895,000 of the Public Improvement Bonds Series 1992 (outstanding \$12,075,000) maturing August 1, 2002 to August 1, 2008, with the proceeds from Public Improvement Bonds Series 2001.

The net proceeds of the Public Improvement Bonds Series 2001, in the amount of \$11,180,165, were used to purchase U.S. Treasury securities. These sources were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments for the Public Improvement Bonds Series 1992, maturing August 1, 2002 to August 1, 2008. As a result, the Public Improvement, Series 1992 Bonds maturing August 1, 2002 to August 1, 2008, are considered to be defeased, and the liability for the bonds have been removed from the long-term obligation account group. As of December 31, 2004, the amount of defeased debt outstanding but removed from the long-term obligation account group for Public Improvement Bonds Series 1992 was \$6,850,000.

**18. CHANGES IN AGENCY FUNDS**

A summary of changes in agency funds assets and liabilities for the year ended December 31, 2004, is as follows:

Description	Beginning Balance	Additions	Reductions	Ending Balance
<b>Assets:</b>				
Cash	\$1,263,456	\$20,624,296	(\$20,501,292)	\$1,386,460
Investments	621,095	12,148	(396,838)	236,405
Interfund Receivable	91	—	—	91
Total Assets	\$1,884,642	\$20,636,444	(\$20,898,130)	\$1,622,956
<b>Liabilities:</b>				
Interfund Payables	\$—	\$6,212,722	(\$6,212,722)	\$—
Deposits Due Others	1,100,721	12,458,396	(12,324,192)	1,234,925
Other Liabilities	783,921	526,292	(922,182)	388,031
Total Liabilities	\$1,884,642	\$19,197,410	(\$19,459,096)	\$1,622,956

## 19. CRIMINAL COURT FUND

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year-end be transferred to the Parish General Fund. The following details the amount due at December 31, 2004:

Balance due at January 1, 2004	\$194,603
Amount due for 2004	272,504
Total	467,107
Remitted during 2004	(194,603)
Balance due at December 31, 2004	\$272,504

## 20. INTERFUND RECEIVABLES/PAYABLES

Interfund receivables/payables at December 31, 2004, are as follows:

Payable Fund	Receivable Fund					Total
	Governmental Funds				Business-Type Funds	
	General	Public Health	Cap Imp Sewer Imp	Non-Major	Port, Harbor and Terminal	
<b>Governmental Major Funds:</b>						
General Fund	\$---	\$---	\$810	\$341,231	\$2,483	\$344,524
Public Health	360,000	---	---	---	---	360,000
Capital Projects-Sewer System Imp	95,064	---	---	---	---	95,064
	455,064	---	810	\$341,231	\$2,483	799,588
<b>Governmental Non-Major Funds:</b>						
Criminal Court	272,504	---	---	---	---	272,504
Court Reporter	935	---	---	---	---	935
DWI Court Administered	4	---	---	---	---	4
Capital Projects-Series 1999 WW	1,000	---	---	---	---	1,000
Capital Projects-PAH to Bohemia	296,119	---	---	---	---	296,119
Total	570,562	---	---	---	---	570,562
Total Governmental Funds	1,025,626	---	810	341,231	2,483	1,370,150
<b>Business-Type Major Funds:</b>						
Water and Sewer	5,777,170	---	---	---	---	5,777,170
Port, Harbor and Terminal	526,792	472,578	---	55,089	---	1,054,459
Total	6,303,962	472,578	---	55,089	---	6,831,629
<b>Business-Type Non-Major Funds:</b>						
Port Sulphur Golf Course	55,000	---	---	---	---	55,000
Boat Harbors and Shipyards	150,000	---	---	---	---	150,000
Total	205,000	---	---	---	---	205,000
Total Business-Type Funds	6,508,962	472,578	---	55,089	---	7,036,629
<b>Total</b>	<b>\$7,534,588</b>	<b>\$472,578</b>	<b>\$810</b>	<b>\$396,320</b>	<b>\$2,483</b>	<b>\$8,406,779</b>

Of the \$5,777,170 due from the Water and Sewer fund to the General Fund, \$2,127,170 is classified as noncurrent.

PLAQUEMINES PARISH GOVERNMENT  
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**21. INTERFUND TRANSFERS**

The following is a summary of interfund transfers during 2004:

Transfers Out	Transfers In								
	Governmental Funds						Business-Type Funds		Total
	General	Road Maintenance	Public Health	Solid Waste	Capital Projects	Non-Major	Water and Sewer	Non-Major	
<b>Governmental Major Funds</b>									
General	\$—	\$1,793,549	\$1,714,303	\$1,127,533	\$5,805,667	\$506,178	\$1,003,399	\$263,626	\$12,214,255
<b>Governmental Non-Major Funds</b>									
Transportation	—	150,000	—	—	—	—	—	—	150,000
Criminal Court	272,504	—	—	—	—	—	—	—	272,504
Capital Projects-Series 1999 WW	—	—	—	—	—	—	16,494	—	16,494
Total	272,504	150,000	—	—	—	—	16,494	—	438,998
Total Governmental Funds	272,504	1,943,549	1,714,303	1,127,533	5,805,667	506,178	1,019,893	263,626	12,653,253
<b>Business-Type Major Funds</b>									
Water and Sewer	—	—	—	—	—	17,263	—	—	17,263
Total Business-Type Funds	—	—	—	—	—	17,263	—	—	17,263
<b>Total</b>	<b>\$272,504</b>	<b>\$1,943,549</b>	<b>\$1,714,303</b>	<b>\$1,127,533</b>	<b>\$5,805,667</b>	<b>\$523,441</b>	<b>\$1,019,893</b>	<b>\$263,626</b>	<b>\$12,670,516</b>

**22. RESERVED AND DESIGNATED RETAINED EARNINGS/FUND BALANCES**

The following is a detail of the composition of fund balance reserves and designations and retained earnings reserves:

Description	Governmental Funds			Business-Type Funds	Total
	General	Special Revenue	Capital Projects	Enterprise	
<b>Fund Balances:</b>					
<b>Reserved:</b>					
Encumbrances	\$700,774	\$1,336,409	\$---	\$---	\$2,037,183
Prepaid items	901,416	---	---	---	901,416
Corp of Engineers	3,631,650	---	---	---	3,631,650
Capital projects	1,092,346	---	313,697	---	1,406,043
<b>Total</b>	<b>\$6,326,186</b>	<b>\$1,336,409</b>	<b>\$313,697</b>	<b>\$---</b>	<b>\$7,976,292</b>
<b>Designated:</b>					
Emergencies	\$2,400,000	\$---	\$---	\$---	\$2,400,000
Self-insurance	2,950,000	---	---	---	2,950,000
Infrastructure	566,588	---	---	---	566,588
Bond indebtedness	10,000,000	---	---	---	10,000,000
Sewer projects	1,368,754	---	---	---	1,368,754
Courthouse	201,000	---	---	---	201,000
Legal Fees	1,250,000	---	---	---	1,250,000
Capital projects	16,048,679	122,406	10,171,846	---	26,342,931
<b>Total</b>	<b>\$34,785,021</b>	<b>\$122,406</b>	<b>\$10,171,846</b>	<b>\$---</b>	<b>\$45,079,273</b>
<b>Retained Earnings:</b>					
<b>Reserved:</b>					
Capital projects	\$---	\$---	\$---	\$797,820	\$797,820
Land purchase	---	---	---	1,063,532	1,063,532
<b>Total</b>	<b>\$---</b>	<b>\$---</b>	<b>\$---</b>	<b>\$1,861,352</b>	<b>\$1,861,352</b>

**A. RESERVED FOR ENCUMBRANCES**

The reserve for encumbrances in the amount of \$2,037,183 represents that portion of the applicable appropriation that is committed under purchase order or contract, but which does not constitute expenditures or liabilities.

**B. RESERVED FOR PREPAID ITEMS**

The reserve for prepaid items in the amount of \$901,416 represents payments to vendors for expenditures that will apply to periods after December 31, 2004. Included in this total is payment of \$218,000, made in September, 2004, to the Corp of Engineers for the Parish's estimated contribution to the New Orleans to Venice Hurricane Protection Project to fund construction during the Corp of Engineer's 2005 fiscal year, which began in September, 2004.

**C. RESERVED FOR CORP OF ENGINEERS**

The reserve for Corp of Engineers in the amount of \$3,631,650 represents the estimated funding requirements for the Parish's contribution to levee projects. Included in this total is \$1,400,000 of estimated funding requirements for the Parish's contribution to the New Orleans to Venice Hurricane Protection Project. This contribution is due in September 2005, to fund construction during the Corp of Engineer's 2006 fiscal year, which begins in September 2005. Also included in this total is \$100,000 of estimated funding requirements for the Parish's contribution to the New Orleans to Venice Hurricane Protection Project. This contribution is to fund construction during the Corp of Engineer's 2005 fiscal year, which begins in September 2004.

Also, included in the total is \$2,131,650 of estimated funding requirements for the Parish's contribution to the Braithwaite Park Levee Enlargement Project. These contributions are due in 2005 and 2006 to fund construction.

**D. DESIGNATED FOR EMERGENCIES**

In accordance with parish resolutions, the Parish has designated funds in the amount of \$2,400,000 for emergency purposes.

**E. DESIGNATED FOR SELF-INSURANCE**

In accordance with parish resolution 04-144, dated June 10, 2004, the Parish has designated funds in the amount of \$2,950,000 for self-insurance. The Parish is self-insured for liability claims relative to auto liability up to \$2,500,000, which is supplemented by an excess bumbershoot liability policy of \$10,000,000.

Coverage is maintained through an insurer rated at least A- by A.M. Best Rating. The Parish is self-insured for worker's compensation up to \$400,000 supplemented by an excess policy with coverage up to \$5,000,000 on Part A and \$1,000,000 on Part B. Fifty thousand dollars has been set aside for payment in the event of accidental death of a volunteer firefighter. This money is only payable after the accidental death payment has been made under a policy owned by the State Fire Marshall's Office.

**F. DESIGNATED FOR INFRASTRUCTURE**

In accordance with parish ordinance 97-143, dated August 28, 1997, the Parish has designated funds in the amount of \$566,588 for the construction, repair, maintenance, upgrading and development of infrastructure.

**G. DESIGNATED FOR BOND INDEBTEDNESS**

In accordance with parish resolution 96-220, dated August 8, 1996, and resolution 00-154, dated April 27, 2000, the Parish has designated funds in the amount of \$10,000,000 for payment of bonded indebtedness.

**H. DESIGNATED FOR SEWER PROJECTS**

In accordance with parish resolution 01-251, ordinance 01-147, and ordinance 01-148, dated August 9, 2001, the Parish has designated funds in the amount of \$1,368,754 for parish-wide sewer projects and payment of sewer bond indebtedness.

**I. DESIGNATED FOR COURT HOUSE REWARD**

In accordance with parish ordinance 02-27, dated February 28, 2002, ordinance 03-14, dated February 13, 2003, and ordinance 03-292, dated December 11, 2003, the Parish has funds designated in the amount of \$201,000 for a reward for information leading to the arrest and capture of the person/persons responsible for the courthouse fire.

**J. DESIGNATED FOR LEGAL FEES**

In accordance with parish ordinance 04-242, dated December 9, 2004, the Parish has funds designated in the amount of \$1,250,000 for payment of future legal fees. The fees are contingency fees due as entities incur costs, in accordance with a compromise and settlement agreement.

**K. RESERVED FOR LAND PURCHASE**

In accordance with parish ordinance 02-45, dated March 14, 2002, the Parish has designated funds in the amount of \$1,063,532 for the Plaquemines Port, Harbor and Terminal District land acquisition.

PLAQUEMINES PARISH GOVERNMENT  
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**L. DESIGNATED/RESERVED FOR CAPITAL PROJECTS**

The detail of reserves and designations for capital projects is as follows:

Fund/Project	Designation	Reserve
<b>GENERAL FUND</b>		
Athletic Field Repairs-Belle Chasse Press Box/Lights	\$7,500	\$---
Athletic Field Repairs-Phoenix	14,999	---
Athletic Field-Dixie Youth Lighting	60,000	---
Beautification-Highway 23	14,600	---
Building-Courthouse/Government Complex	30,000	---
Building-District Attorney	10,938	---
Building-Parish Welcome Center	100,000	---
Communication System-Disaster Upgrade	153,637	380,620
Computer System Replacement	300,000	---
Debris Removal-Courthouse	100,000	---
Disaster-West PAH Water Plant Dock	536,213	---
Drainage-1st thru 3rd Streets/H-M Avenue	250,000	---
Drainage-Belle Chasse Pump Replacement	4,805	---
Drainage-Belle Chasse Street	319,902	---
Drainage-Buras Pump Station Renovation & Repair	170,252	---
Drainage-Nairn	35,500	---
Drainage-Parish Wide Study	499,910	---
Drainage-Star Place	18,800	---
Drainage-West 1st Street	139,268	---
Dredging-Venice Jump Basin	24,877	---
Ferry Acquisition	93,437	105,308
Ferry Ramps/Bridges Repair Pointe a la Hache	248,130	---
Ferry Ramps/Bridges Replacement Belle Chasse	19,495	---
Hurricane Protection Levee-Braithwaite Park	230,799	---
Hurricane Protection Levee-Buras Boat Harbor Armor	1,293,824	---
Hurricane Protection Levee-LaReussite	842,500	---
Hurricane Protection Levee-NO to Venice	29,364	---
Overlay-Belle Chasse Council Office & Auditorium	149,885	---
Overlay-Buras Boat Harbor Road	80,000	---
Overlay-Buras River Road	500,000	---
Overlay-Carol Lane Empire	245,000	---
Overlay-Civic Drive	30,000	---
Overlay-East 3rd Street Belle Chasse	288,128	---

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 December 31, 2004

Fund/Project	Designation	Reserve
GENERAL FUND (cont'd)		
Overlay-East Crest Drive	885	---
Overlay-Morel Lane	100,000	---
Overlay-Pointe a la Hache Boat Harbor Road	180,000	---
Park Improvements-Fort Jackson	12,520	---
Park Renovation/Preservation-Fort Jackson	50,000	---
Rehabilitation-Avenue A / Schlieff to Belle Chasse Hwy	150,000	---
Renovations-Belle Chasse Civic Center	23,387	---
Renovations-Compactor Sites-SW South	96,000	---
Renovations-District 1 (Old Maintenance Building)	4,274	---
Renovations-Empire Civic Center	2,153	---
Renovations-Engineering/Land/Permits Building	306,385	15,000
Renovations-Freeport Building	534	---
Renovations-Oaks Senior Center	42,590	---
Renovations-Port Sulphur Civic Center Roof	70,950	---
Renovations-Temporary Council Facilities	29,995	---
Repairs-Caroline Drive to Milan Drive	100,000	---
Repairs-Duvc Pump Station	(1,367)	34,779
Repairs-Empire Boat Harbor	52,029	---
Repairs-Empire Floodgate	79,054	---
Repairs-Empire Slips	4,148	---
Repairs-Noble Manor/Kenneth/Eve/Kimble Drive	93,496	---
Road Maintenance-Parish Wide	49,499	---
Road Repair/Striping-Highway 15	389,329	---
Road Repair-Epsilon Street	100,000	---
Road Repair-Tidewater Road	1,557,811	---
Road Repair-Venice Lanes	90,097	---
Sewer Line-Lift Station 8 to Belle Chasse Sewer Plant	---	204,207
Sewer Line-Pointe a la Hache to Bohemia	46,501	277,463
Sewer Plant Rehabilitation-Belle Chasse/Boothville	---	74,969
Sewerage-Belle Chasse STP to La Reussite	1,000,000	---
Utility Relocation-Happy Jack to North Port Sulphur	2,991,960	---
Walking Track-Belle Chasse	224	---
Walking Track-Port Sulphur Senior Center	11,500	---
Water Plant Disinfection Systems	264	---
Waterline & Fire Hydrants-Empire Shipyard/Morovich	10,698	---
Waterline-Lake Hermitage	1,562,000	---
Total General Fund	\$16,048,679	\$1,092,346

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Fund/Project	Designation	Reserve
<b>SPECIAL REVENUE FUNDS</b>		
Library Fund		
Parking Lot-Buras Library	\$70,000	\$---
Renovations-Belle Chasse Library	19	---
Renovations-Library	10,994	---
Total Library Fund	81,013	---
Transportation Fund		
Road Maintenance-Parish Wide	41,393	---
Total Special Revenue Funds	\$122,406	\$---
<b>CAPITAL PROJECTS FUNDS</b>		
1999 General Obligation Bonds		
Water & Sewer Improvements	\$169,453	\$313,697
2004 Revenue Bonds		
Water & Sewer Improvements	10,002,393	---
Total Capital Projects Funds	\$10,171,846	\$313,697

**23. FUND DEFICITS**

The following individual funds have deficits in unrestricted net assets at December 31, 2004:

Fund	Deficit Amount
<b>Business-Type Funds:</b>	
Water and Sewer	\$3,057,113
Golf Course	\$62,137
Boat Harbors and Shipyards	\$169,449

The fund deficits will be addressed through transfers from the General Fund or additional revenue sources in each fund.

**24. EXPENDITURES IN EXCESS OF APPROPRIATIONS**

The following fund had actual expenditures in excess of budgeted appropriations for the year ended December 31, 2004:

Fund	Original Budget	Final Budget	Actual	Unfavorable Variance
<b>Governmental Fund</b>				
Public Health	\$3,330,584	\$3,906,400	\$3,954,922	(\$48,522)

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
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**25. ENTERPRISE FUNDS (Segment Information)**

In accordance with GASB Codification Section 2500, the segment information for the Parish's enterprise funds as of and for the year ended December 31, 2004, is as follows:

	Water and Sewer	Port, Harbor and Terminal	Golf Course	Boat Harbors	Total
<b>Condensed Statement of Net Assets</b>					
Assets:					
Current assets	\$3,412,974	\$2,360,918	\$2,185	\$7,318	\$5,783,395
Capital assets	38,398,329	4,754,610	254,775	308,884	43,716,598
Total assets	41,811,303	7,115,528	256,960	316,202	49,499,993
Liabilities:					
Interfund payables	3,650,000	1,054,459	55,000	150,000	4,909,459
Other current liabilities	692,917	556,618	9,322	26,767	1,285,624
Noncurrent liabilities	2,127,170	2,905	—	—	2,130,075
Total liabilities	6,470,087	1,613,982	64,322	176,767	8,325,158
Net assets:					
Invested in capital assets, net of related debt	38,398,329	4,754,610	254,775	308,884	43,716,598
Unrestricted	(3,057,113)	746,936	(62,137)	(169,449)	(2,541,763)
Total net assets	\$35,341,216	\$5,501,546	\$192,638	\$139,435	\$41,174,835
<b>Condensed Statement of Revenues, Expenses, and Changes in Net Assets</b>					
Operating revenues	\$4,172,102	\$1,938,963	\$50,952	\$444,783	\$6,606,800
Depreciation expense	(2,603,695)	(168,394)	(39,078)	(33,232)	(2,844,399)
Other operating expenses	(6,958,588)	(2,388,308)	(178,688)	(515,830)	(10,041,414)
Operating loss	(5,390,181)	(617,739)	(166,814)	(104,279)	(6,279,013)
Nonoperating revenues (expenses):					
Investment income	3,774	31,947	—	5	35,726
Interest expense	—	(240)	—	—	(240)
Ad valorem taxes	2,788,540	—	—	—	2,788,540
Other	19,627	845	(4,066)	(1,048)	15,358
Capital contributions	2,731,135	640,795	(1,651)	—	3,370,279
Transfer in (out)	1,002,630	—	161,637	101,989	1,266,256
Change in net assets	1,155,525	55,608	(10,894)	(3,333)	1,196,906
Beginning net assets	34,185,691	5,445,938	203,532	142,768	39,977,929
Ending net assets	\$35,341,216	\$5,501,546	\$192,638	\$139,435	\$41,174,835
<b>Condensed Statement of Cash Flows</b>					
Net cash used by operating activities	(\$2,782,127)	(\$37,731)	(\$126,871)	(\$65,855)	(\$3,012,584)
Noncapital financing activities	4,868,808	(2,227,419)	171,637	105,238	2,918,264
Capital and related financing activities	(2,073,507)	(203,316)	(47,174)	(38,576)	(2,362,573)
Investing activities	3,774	2,419,703	—	—	2,423,477
Net increase (decrease) in cash and cash equivalents	16,948	(48,763)	(2,408)	807	(33,416)
Cash and cash equivalents at beginning of year	11,862	1,392,840	4,593	2,676	1,411,971
Cash and cash equivalents at end of year	\$28,810	\$1,344,077	\$2,185	\$3,483	\$1,378,555

## **26. LITIGATION AND CLAIMS**

The Parish's legal representatives have reviewed all litigation and claims in order to evaluate the likelihood of an unfavorable outcome to the Parish and to arrive at an estimate of the amount of potential loss to the Parish. At December 31, 2004, as a result of this review, in the opinion of the Parish's legal representatives, an unfavorable outcome is probable in cases involving exposure assessed at an aggregate amount of approximately \$7,717,860. Each general liability claim up to \$1,000,000 and auto liability claim up to \$2,500,000 is covered by the self-insurance program, as described in Note 16 and Note 22. Each claim exceeding the self-insurance program limits is covered by an umbrella liability policy up to \$10,000,000. The Parish is responsible for replenishing its designation of self-insurance to cover additional claims. A long-term liability in the amount of \$7,717,860 has been established for claims, which, in the opinion of the Parish's legal counsel, will probably result in an unfavorable outcome. The obligations are recorded in the General Fund as a current liability when the amount is determinable and funds are appropriated. No provisions have been made in the financial statements for loss contingencies that in the opinion of the Parish's legal representatives, an unfavorable outcome is less than probable.

## **27. FOOD DISTRIBUTION PROGRAM**

The Parish operates the Food Distribution Program under an agreement with the Louisiana Department of Agriculture. Under this program, the Parish is responsible for the issuance of donated food commodities for use in feeding persons in needy households. The value of the donated food commodities received and issued for the year totaled \$11,461 and is not recorded in the accompanying financial statements.

## **28. EMERGENCY 911 SERVICE**

During 2004, the Parish collected service charges of \$284,556 for emergency 911 operations and expended \$367,261 for operations of the system. The Parish's wireless emergency 911 system is operational and phase I compliant.

## **29. SETTLEMENTS**

In accordance with parish resolution 04-396, dated December 9, 2004, and ordinance 04-242, dated December 9, 2004, the Parish entered into agreements to settle and compromise claims against entities for breach of mineral lease, for trespass and for declaratory relief related to defendants' actions as lessees of that certain oil, gas and mineral leases. The settlements payments totaled \$26,500,000; attorney's fees and other costs totaled \$6,881,285; the payments net of expenses totaled \$19,618,715.

Additionally, under the terms of the agreements, the defendants will be obligated to spend up to \$5,000,000 in environmental clean up costs during the next two years, and remit the balance not spent to Plaquemines Parish Government.

## **Required Supplementary Information**

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Funds**

Schedule 1

**Budgetary Comparison Schedule  
For the Year Ended December 31, 2004**

	General Fund			Road Maintenance			Public Health		
	Budget		Actual	Budget		Actual	Budget		Actual
	Original	Final		Original	Final		Original	Final	
<b>Revenues</b>									
<b>Taxes:</b>									
Ad valorem	\$2,450,000	\$2,450,000	\$2,445,061	\$1,000,000	\$1,000,000	\$1,002,422	\$665,000	\$665,000	\$668,281
Sales and use	4,800,000	4,800,000	5,871,302	---	---	---	---	---	---
Other taxes, penalties, interest, etc.	80,000	80,000	83,856	---	---	---	---	---	---
Licenses and permits	826,400	1,330,000	1,527,088	---	---	---	---	---	---
Intergovernmental revenues:									
Federal grants	253,800	225,820	698,731	4,000	4,000	8,710	1,600	21,800	26,005
State funds:									
Parish transportation funds	---	---	---	---	---	---	---	---	---
State revenue sharing	35,000	35,000	35,755	14,200	14,200	14,661	9,500	9,500	9,772
Parish royalty fund	9,402,540	13,082,940	12,703,126	---	---	---	---	---	---
Other	1,041,300	1,041,300	1,056,219	168,700	168,700	168,743	---	---	---
Fees, charges and commissions for services	548,800	602,550	594,578	---	1,000	390	593,500	1,005,380	1,198,690
Fines and forfeitures	---	---	---	---	---	---	---	---	---
Use of money and property	8,271,540	9,417,120	11,550,620	4,700	4,700	3,679	940	940	944
Other revenues	2,421,210	29,055,510	28,999,370	---	1,000	205	---	425,640	475,480
<b>Total Revenues</b>	<b>30,130,590</b>	<b>62,120,240</b>	<b>65,565,706</b>	<b>1,191,600</b>	<b>1,193,600</b>	<b>1,198,810</b>	<b>1,270,540</b>	<b>2,128,260</b>	<b>2,379,172</b>
<b>Expenditures</b>									
<b>Current:</b>									
General government	11,592,938	19,520,815	18,541,464	---	---	---	---	---	---
Public safety	784,099	1,214,370	624,009	---	---	---	---	---	---
Public works	5,023,477	6,322,260	4,882,487	3,191,513	3,508,420	2,859,045	---	---	---
Health and welfare	903,459	1,010,920	952,207	---	---	---	3,330,584	3,906,400	3,954,922
Culture and recreation	1,607,045	1,912,540	1,464,979	---	---	---	---	---	---
Economic development and assistance	94,700	115,970	98,332	---	---	---	---	---	---
Transportation	2,815,872	2,851,810	2,630,079	---	---	---	---	---	---
Debt service	---	---	---	---	---	---	---	---	---
<b>Total Expenditures</b>	<b>22,821,591</b>	<b>32,948,685</b>	<b>29,193,557</b>	<b>3,191,513</b>	<b>3,508,420</b>	<b>2,859,045</b>	<b>3,330,584</b>	<b>3,906,400</b>	<b>3,954,922</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>7,308,999</b>	<b>29,171,555</b>	<b>36,372,149</b>	<b>(1,999,913)</b>	<b>(2,314,820)</b>	<b>(1,660,235)</b>	<b>(2,060,044)</b>	<b>(1,778,140)</b>	<b>(1,575,750)</b>
<b>Other Financing Sources (Uses)</b>									
Transfers in	140,970	213,470	272,504	1,803,000	2,297,940	1,943,549	1,777,550	1,766,200	1,714,303
Transfers out	(6,798,560)	(30,470,080)	(12,214,255)	---	---	---	---	---	---
Capital leases	12,980	12,980	96,073	---	---	---	---	---	---
Sale of capital assets	---	82,000	73,954	---	---	---	---	---	---
Proceeds from long-term bonds	---	---	---	---	---	---	---	---	---
<b>Net Other Financing Sources (Uses)</b>	<b>(6,644,610)</b>	<b>(30,161,630)</b>	<b>(11,771,724)</b>	<b>1,803,000</b>	<b>2,297,940</b>	<b>1,943,549</b>	<b>1,777,550</b>	<b>1,766,200</b>	<b>1,714,303</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>664,389</b>	<b>(990,075)</b>	<b>24,600,425</b>	<b>(196,913)</b>	<b>(16,880)</b>	<b>283,314</b>	<b>(282,494)</b>	<b>(11,940)</b>	<b>138,553</b>
<b>Fund Balances at Beginning of Year</b>	<b>43,568,770</b>	<b>43,568,770</b>	<b>43,568,773</b>	<b>16,870</b>	<b>16,870</b>	<b>16,873</b>	<b>11,930</b>	<b>11,930</b>	<b>11,934</b>
<b>Fund Balances at End of Year</b>	<b>\$44,233,159</b>	<b>\$42,578,695</b>	<b>\$68,169,198</b>	<b>(\$180,043)</b>	<b>(\$10)</b>	<b>\$300,187</b>	<b>(\$270,564)</b>	<b>(\$10)</b>	<b>\$150,487</b>

(Continued)

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Funds**

Schedule 1

**Budgetary Comparison Schedule  
For the Year Ended December 31, 2004**

	Solid Waste			Revenue Bonds Series 2004			Capital Improvements		
	Budget		Actual	Budget		Actual	Budget		Actual
	Original	Final		Original	Final		Original	Final	
<b>Revenues</b>									
Taxes:									
Ad valorem	\$2,645,000	\$2,645,000	\$2,657,213	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Sales and use	--	--	--	--	--	--	--	--	--
Other taxes, penalties, interest, etc.	--	--	--	--	--	--	--	--	--
Licenses and permits	--	--	--	--	--	--	--	--	--
Intergovernmental revenues:									
Federal grants	6,300	6,300	23,087	--	--	--	--	7,201,140	5,085,111
State funds:									
Parish transportation funds	--	--	--	--	--	--	--	--	--
State revenue sharing	37,850	37,850	38,858	--	--	--	--	--	--
Parish royalty fund	--	--	--	--	--	--	--	--	--
Other	--	--	--	--	--	--	--	5,851,830	230,889
Fees, charges and commissions for services	715,000	715,000	739,315	--	--	--	--	--	--
Fines and forfeitures	--	--	--	--	63,400	94,153	--	--	--
Use of money and property	21,000	21,000	17,816	--	--	--	--	--	--
Other revenues	5,000	10,000	11,574	--	--	--	--	83,100	55,347
<b>Total Revenues</b>	<b>3,430,150</b>	<b>3,435,150</b>	<b>3,487,863</b>	<b>--</b>	<b>63,400</b>	<b>94,153</b>	<b>--</b>	<b>13,136,070</b>	<b>5,371,347</b>
<b>Expenditures</b>									
Current:									
General government	--	--	--	--	--	--	--	--	--
Public safety	--	--	--	--	--	--	--	--	--
Public works	4,167,399	5,323,010	3,926,996	--	10,000,000	91,760	2,087,500	32,234,260	11,177,014
Health and welfare	--	--	--	--	--	--	--	--	--
Culture and recreation	--	--	--	--	--	--	--	--	--
Economic development and assistance	--	--	--	--	--	--	--	--	--
Transportation	--	--	--	--	--	--	--	--	--
Debt service	--	--	--	--	--	--	--	--	--
<b>Total Expenditures</b>	<b>4,167,399</b>	<b>5,323,010</b>	<b>3,926,996</b>	<b>--</b>	<b>10,000,000</b>	<b>91,760</b>	<b>2,087,500</b>	<b>32,234,260</b>	<b>11,177,014</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(737,249)</b>	<b>(1,887,860)</b>	<b>(439,133)</b>	<b>--</b>	<b>(9,936,600)</b>	<b>2,393</b>	<b>(2,087,500)</b>	<b>(19,098,190)</b>	<b>(5,805,667)</b>
<b>Other Financing Sources (Uses)</b>									
Transfers in	491,430	1,694,190	1,127,533	--	--	--	2,087,500	19,098,190	5,805,667
Transfers out	--	--	--	--	--	--	--	--	--
Capital leases	--	--	--	--	--	--	--	--	--
Sale of capital assets	--	--	--	--	--	--	--	--	--
Proceeds from long-term bonds	--	--	--	--	10,000,000	10,000,000	--	--	--
<b>Net Other Financing Sources (Uses)</b>	<b>491,430</b>	<b>1,694,190</b>	<b>1,127,533</b>	<b>--</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>2,087,500</b>	<b>19,098,190</b>	<b>5,805,667</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>(245,819)</b>	<b>(193,670)</b>	<b>688,400</b>	<b>--</b>	<b>63,400</b>	<b>10,002,393</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balances at Beginning of Year</b>	<b>193,670</b>	<b>193,670</b>	<b>193,669</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balances at End of Year</b>	<b>(\$52,149)</b>	<b>\$ --</b>	<b>\$882,069</b>	<b>\$ --</b>	<b>\$63,400</b>	<b>\$10,002,393</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>

## **Other Supplementary Information**

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
All Fund Types**

Schedule 2

**Combined Balance Sheet  
December 31, 2004**

	Governmental Fund Types			Proprietary Fund Type	Fiduciary Fund Type	Total
	General	Special Revenue	Capital Projects	Enterprise	Agency	Memorandum Only
<b>Assets:</b>						
<b>Current Assets:</b>						
Cash and cash equivalents	\$28,294,719	\$2,093,999	\$10,041,864	\$1,378,555	\$1,386,460	\$43,195,597
Investments	8,527,532	345,034	289,325	351,538	236,405	9,749,834
Receivables (net of allowances for uncollectibles)	28,105,227	5,943,964	311,704	4,048,679	91	38,409,665
Due from other funds	5,407,418	527,667	342,041	2,483	---	6,279,609
Prepaid items	901,772	---	---	2,140	---	903,912
<b>Total Current Assets</b>	<b>71,236,668</b>	<b>8,910,664</b>	<b>10,984,934</b>	<b>5,783,395</b>	<b>1,622,956</b>	<b>98,538,617</b>
<b>Noncurrent Assets:</b>						
Interfund loan	2,127,170	---	---	---	---	2,127,170
Land, buildings and equipment (net, where applicable, of accumulated depreciation)	---	---	---	43,716,598	---	43,716,598
<b>Total Noncurrent Assets</b>	<b>2,127,170</b>	<b>---</b>	<b>---</b>	<b>43,716,598</b>	<b>---</b>	<b>45,843,768</b>
<b>Total Assets</b>	<b>\$73,363,838</b>	<b>\$8,910,664</b>	<b>\$10,984,934</b>	<b>\$49,499,993</b>	<b>\$1,622,956</b>	<b>\$144,382,385</b>
<b>Liabilities:</b>						
<b>Current Liabilities:</b>						
Accounts, salaries and other payables	\$1,869,860	\$316,124	\$5,302	\$793,804	\$---	\$2,785,090
Contracts and retainage payable	162,458	---	101,906	10,211	---	274,575
Capital leases payable	---	---	---	2,139	---	2,139
Deferred revenues	2,476,729	5,059,151	---	---	---	7,535,880
Compensated absences payable	421,730	220,037	---	66,973	---	708,740
Deposits due others	16,650	300	---	---	1,234,925	1,251,875
Due to other funds	344,524	633,443	392,183	4,909,459	---	6,279,609
Other liabilities	102,689	155,720	---	412,497	388,031	1,058,937
<b>Total Current Liabilities</b>	<b>5,194,640</b>	<b>6,384,775</b>	<b>499,391</b>	<b>6,195,083</b>	<b>1,622,956</b>	<b>19,896,845</b>
<b>Non-Current Liabilities:</b>						
Capital leases payable	---	---	---	2,905	---	2,905
Interfund loan	---	---	---	2,127,170	---	2,127,170
<b>Total Noncurrent Liabilities</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>2,130,075</b>	<b>---</b>	<b>2,130,075</b>
<b>Total Liabilities</b>	<b>5,194,640</b>	<b>6,384,775</b>	<b>499,391</b>	<b>8,325,158</b>	<b>1,622,956</b>	<b>22,026,920</b>
<b>Net Assets and Fund Balances:</b>						
<b>Net Assets:</b>						
Invested in capital assets, net of related debt	---	---	---	43,716,598	---	43,716,598
Unrestricted	---	---	---	(2,541,763)	---	(2,541,763)
<b>Fund Balances:</b>						
Reserved	6,326,186	1,336,409	313,697	---	---	7,976,292
Unreserved:						
Designated	34,785,021	122,406	10,171,846	---	---	45,079,273
Undesignated	27,057,991	1,067,074	---	---	---	28,125,065
<b>Total Net Assets and Fund Balances</b>	<b>68,169,198</b>	<b>2,525,889</b>	<b>10,485,543</b>	<b>41,174,835</b>	<b>---</b>	<b>122,355,465</b>
<b>Total Liabilities, Net Assets and Fund Balances</b>	<b>\$73,363,838</b>	<b>\$8,910,664</b>	<b>\$10,984,934</b>	<b>\$49,499,993</b>	<b>\$1,622,956</b>	<b>\$144,382,385</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Fund Types**

Schedule 3

**Combined Schedule of Revenues, Expenditures, and Changes in Fund Balances  
For the Year December 31, 2004**

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Memorandum Only
<b>Revenues</b>					
Taxes:					
Ad valorem	\$2,445,061	\$4,996,197	\$ --	\$ --	\$7,441,258
Sales and use	5,871,302	--	92,207	--	5,963,509
Other taxes, penalties, interest, etc.	83,856	--	--	--	83,856
Licenses and permits	1,527,088	--	--	--	1,527,088
Intergovernmental revenues:					
Federal grants	698,731	63,608	--	6,146,816	6,909,155
State funds:					
Parish transportation funds	--	271,412	--	--	271,412
State revenue sharing	35,755	73,063	--	--	108,818
Parish royalty fund	12,703,126	--	2,680,278	--	15,383,404
Other	1,056,219	197,803	--	230,889	1,484,911
Fees, charges, and commissions for services	594,578	2,293,538	--	--	2,888,116
Fines and forfeitures	--	356,274	--	--	356,274
Use of money and property	11,550,620	42,860	--	110,574	11,704,054
Other revenues	28,999,370	600,916	--	55,347	29,655,633
<b>Total Revenues</b>	<b>65,565,706</b>	<b>8,895,671</b>	<b>2,772,485</b>	<b>6,543,626</b>	<b>83,777,488</b>
<b>Expenditures</b>					
General government:					
Legislative	1,079,618	--	--	--	1,079,618
Judicial	3,240,771	52,158	--	--	3,292,929
Executive	8,877,866	--	--	--	8,877,866
Elections	106,312	--	--	--	106,312
Finance and administrative	3,139,659	--	--	--	3,139,659
Other	2,097,238	--	--	--	2,097,238
Public safety	624,009	--	--	--	624,009
Public works	4,882,487	6,881,502	--	13,804,540	25,568,529
Health and welfare	952,207	4,322,183	--	--	5,274,390
Culture and recreation	1,464,979	648,611	--	--	2,113,590
Economic development and assistance	98,332	--	--	--	98,332
Transportation	2,630,079	--	--	--	2,630,079
Debt service	--	--	2,772,485	--	2,772,485
<b>Total Expenditures</b>	<b>29,193,557</b>	<b>11,904,454</b>	<b>2,772,485</b>	<b>13,804,540</b>	<b>57,675,036</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>36,372,149</b>	<b>(3,008,783)</b>	<b>--</b>	<b>(7,260,914)</b>	<b>26,102,452</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	272,504	4,785,385	--	6,329,108	11,386,997
Transfers out	(12,214,255)	(422,504)	--	(16,494)	(12,653,253)
Sale of capital assets	73,954	--	--	--	73,954
Capital Leases	96,073	--	--	--	96,073
Proceeds from long-term bonds	--	--	--	10,000,000	10,000,000
<b>Net Other Financing Sources (Uses)</b>	<b>(11,771,724)</b>	<b>4,362,881</b>	<b>--</b>	<b>16,312,614</b>	<b>8,903,771</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>24,600,425</b>	<b>1,354,098</b>	<b>--</b>	<b>9,051,700</b>	<b>35,006,223</b>
<b>Fund Balances at Beginning of Year</b>	<b>43,568,773</b>	<b>1,171,791</b>	<b>--</b>	<b>1,433,843</b>	<b>46,174,407</b>
<b>Fund Balances at End of Year</b>	<b>\$68,169,198</b>	<b>\$2,525,889</b>	<b>\$ --</b>	<b>\$10,485,543</b>	<b>\$81,180,630</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Proprietary Fund Type-Enterprise Funds**

**Schedule 4**

**Combined Schedule of Revenues, Expenses and Changes in Retained Earnings  
For the Year Ended December 31, 2004**

<b>Operating Revenues</b>	
Charges for services	\$6,249,622
Other	357,178
<b>Total Operating Revenues</b>	<b>6,606,800</b>
<b>Operating Expenses</b>	
Personal services	1,604,332
Contractual services, supplies, materials and other	8,437,082
Depreciation	2,844,399
<b>Total Operating Expenses</b>	<b>12,885,813</b>
<b>Operating Loss</b>	<b>(6,279,013)</b>
<b>Non-Operating Revenues (Expenses)</b>	
Interest revenue	35,726
Interest expense	(240)
Ad valorem taxes	2,788,540
Other	15,358
<b>Net Non-Operating Revenues (Expenses)</b>	<b>2,839,384</b>
<b>Net Loss Before Contributions and Transfers</b>	<b>(3,439,629)</b>
<b>Capital Contributions</b>	<b>3,370,279</b>
<b>Transfers In</b>	<b>1,283,519</b>
<b>Transfers Out</b>	<b>(17,263)</b>
<b>Change In Net Assets</b>	<b>1,196,906</b>
<b>Net Assets-Beginning</b>	<b>39,977,929</b>
<b>Net Assets-Ending</b>	<b>\$41,174,835</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Proprietary Fund Type-Enterprise Funds**

**Schedule 5**

**Combined Schedule of Cash Flows  
For the Year Ended December 31, 2004**

<b>Cash Flows From Operating Activities:</b>	
Cash received from customers	\$6,331,560
Cash operating grants received from other governments	145,200
Cash payments for goods and services	(7,889,871)
Cash payments to employees	(1,599,473)
<b>Net Cash Used by Operating Activities</b>	<b>(3,012,584)</b>
<b>Cash Flows From Non-Capital Financing Activities:</b>	
Ad valorem tax collections	2,788,540
Other non-operating revenues	24,071
Operating transfers in	1,283,519
Payments on short-term loan from other funds	(1,177,866)
<b>Net Cash Provided by Non-Capital Financing Activities</b>	<b>2,918,264</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>	
Acquisition/construction of capital assets	(2,043,171)
Decrease in intergovernmental receivables	(312,110)
Operating transfers out	(17,263)
Decrease in contracts and retainage payable	10,211
Interest paid	(240)
<b>Net Cash Used For Capital and Related Financing Activities</b>	<b>(2,362,573)</b>
<b>Cash Flows From Investing Activities:</b>	
Interest received on time deposits	35,726
Payments for investments	2,387,751
<b>Net Cash Provided by Investing Activities</b>	<b>2,423,477</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(33,416)</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>1,411,971</b>
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$1,378,555</b>
<b>Reconciliation of Operating Loss to Net Cash Used by Operating Activities:</b>	
Operating loss	(\$6,279,013)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	2,844,399
Change in assets and liabilities:	
Decrease in receivables and other current assets	(129,964)
Increase in accounts payable	513,720
Increase in other liabilities	38,274
<b>Net Cash Used by Operating Activities</b>	<b>(\$3,012,584)</b>

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**As of and for the Year Ended December 31, 2004**

**SPECIAL REVENUE FUNDS**

**ROAD MAINTENANCE FUND**

The Road Maintenance Fund accounts for the expenditures in connection with the maintenance and upkeep of the Parish's road system. Revenues of this fund are derived principally from ad valorem taxes and a state mowing and litter collection agreement as well as transfers from the General Fund.

**PUBLIC HEALTH FUND**

The Public Health Fund accounts for the expenditures in connection with the health and welfare of parish residents. Revenues of this fund are derived principally through ad valorem taxes and fees collected from Ambulance Services and Animal Control as well as transfers from the General Fund.

**SOLID WASTE FUND**

The Solid Waste Fund accounts for the operation of a parish-wide system for the collection and disposal of solid waste. Revenues of this fund are derived principally from ad valorem taxes and sanitation fees as well as transfers from the General Fund.

**LIBRARY FUND**

The Library Fund accounts for the costs of operating parish libraries, which are located in Buras, Port Sulphur and Belle Chasse. Revenues of this fund are derived principally from ad valorem taxes and library fines and fees.

**DWI COURT ADMINISTERED FUND**

The DWI Court Administered Fund accounts for fines collected by the sheriff's office and remitted to the Parish for the administration of a substance abuse center.

**JUDICIAL COURT REPORTER FUND**

The Judicial Court Reporter Fund accounts for judicial fees collected by the Clerk of Court and remitted to the Parish for payment of court reporter costs.

**TRANSPORTATION FUND**

The Transportation Fund accounts for expenditures in connection with the maintenance and upkeep of the Parish's road system. Revenues of this fund are derived from the State of Louisiana through the Parish Transportation Fund. Use of this fund is restricted by Louisiana Revised Statute 48:753.

**CRIMINAL COURT FUND**

The Criminal Court Fund for the Twenty-Fifth Judicial District was established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provide that fines and forfeitures imposed by district courts and district attorney conviction fees in criminal cases, be transferred to the parish treasurer and deposited into a special account to be used for the expenses of the Criminal Court of the Parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judges.

**911 FUND**

The 911 Fund accounts for the operations of a parish-wide 911 emergency system. Financing for this fund is derived primarily from fees collected from parish residents.

**WITNESS FEE FUND**

The Witness Fee Fund accounts for fees collected by the sheriff's office and remitted to the Parish for payment of witness fees, as authorized by LSA-R.S. 15:255.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Special Revenue Funds**

**Schedule 6**

**Combining Balance Sheet  
December 31, 2004**

	Road Maintenance	Public Health	Solid Waste	Library	DWI Court Admin.	Judicial Court Reporter	Transpor- tation	Criminal Court	911	Witness Fee	Total
<b>Assets:</b>											
Cash and cash equivalents	\$335,405	\$2,889	\$773,080	\$327,591	\$45,290	\$—	\$61,448	\$418,620	\$96,215	\$33,461	\$2,093,999
Investments	2,095	—	29,307	227,170	—	—	11,630	74,144	688	—	345,034
Receivables (net of allowances for uncollectibles)	1,128,732	942,131	3,031,805	694,075	650	935	44,296	52,702	38,313	10,325	5,943,964
Due from other funds	—	472,578	—	—	—	—	—	—	55,089	—	527,667
<b>Total Assets</b>	<b>\$1,466,232</b>	<b>\$1,417,598</b>	<b>\$3,834,192</b>	<b>\$1,248,836</b>	<b>\$45,940</b>	<b>\$935</b>	<b>\$117,374</b>	<b>\$545,466</b>	<b>\$190,305</b>	<b>\$43,786</b>	<b>\$8,910,664</b>
<b>Liabilities:</b>											
Accounts, salaries and other payables	\$62,084	\$115,042	\$131,063	\$7,015	\$5	\$—	\$—	\$458	\$457	\$—	\$316,124
Deferred revenues	1,017,513	676,451	2,688,736	676,451	—	—	—	—	—	—	5,059,151
Compensated absences payable	55,129	94,497	49,565	20,846	—	—	—	—	—	—	220,037
Deposits due others	—	300	—	—	—	—	—	—	—	—	300
Due to other funds	—	360,000	—	—	4	935	—	272,504	—	—	633,443
Other liabilities	31,319	20,821	82,759	20,821	—	—	—	—	—	—	155,720
<b>Total Liabilities</b>	<b>1,168,045</b>	<b>1,267,111</b>	<b>2,952,123</b>	<b>725,133</b>	<b>9</b>	<b>935</b>	<b>—</b>	<b>272,962</b>	<b>457</b>	<b>—</b>	<b>6,384,775</b>
<b>Fund Balances:</b>											
<b>Reserved:</b>											
Encumbrances	300,187	150,487	882,069	3,666	—	—	—	—	—	—	1,336,409
<b>Unreserved:</b>											
Designated for capital projects	—	—	—	81,013	—	—	41,393	—	—	—	122,406
Undesignated	—	—	—	439,024	45,931	—	75,981	272,504	189,848	43,786	1,067,074
<b>Total Fund Balances</b>	<b>300,187</b>	<b>150,487</b>	<b>882,069</b>	<b>523,703</b>	<b>45,931</b>	<b>—</b>	<b>117,374</b>	<b>272,504</b>	<b>189,848</b>	<b>43,786</b>	<b>2,525,889</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$1,466,232</b>	<b>\$1,417,598</b>	<b>\$3,834,192</b>	<b>\$1,248,836</b>	<b>\$45,940</b>	<b>\$935</b>	<b>\$117,374</b>	<b>\$545,466</b>	<b>\$190,305</b>	<b>\$43,786</b>	<b>\$8,910,664</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Special Revenue Funds**

**Schedule 7**

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2004**

	Road Maintenance	Public Health	Solid Waste	Library	DWI Court Admin.	Judicial Court Reporter	Transpor- tation	Criminal Court	911	Witness Fee	Total
<b>Revenues</b>											
Taxes:											
Ad Valorem	\$1,002,422	\$668,281	\$2,657,213	\$668,281	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$4,996,197
Intergovernmental revenues:											
Federal grants	8,710	26,005	23,087	5,806	--	--	--	--	--	--	63,608
State funds:											
Parish transportation funds	--	--	--	--	--	--	271,412	--	--	--	271,412
State revenue sharing	14,661	9,772	38,858	9,772	--	--	--	--	--	--	73,063
Other	168,743	--	--	29,060	--	--	--	--	--	--	197,803
Fees, charges and commissions for services	390	1,198,690	739,315	--	--	14,050	--	--	284,556	56,537	2,293,538
Fines and forfeitures	--	--	--	4,548	2,750	--	--	348,976	--	--	356,274
Use of money and property	3,679	944	17,816	11,767	559	64	923	5,826	1,026	256	42,860
Other revenues	205	475,480	11,574	3,479	--	--	--	--	110,178	--	600,916
<b>Total Revenues</b>	<b>1,198,810</b>	<b>2,379,172</b>	<b>3,487,863</b>	<b>732,713</b>	<b>3,309</b>	<b>14,114</b>	<b>272,335</b>	<b>354,802</b>	<b>395,760</b>	<b>56,793</b>	<b>8,895,671</b>
<b>Expenditures</b>											
General government:											
Judicial	--	--	--	--	55	14,114	--	4,397	--	33,592	52,158
Public works	2,859,045	--	3,926,996	--	--	--	95,461	--	--	--	6,881,502
Health and welfare	--	3,954,922	--	--	--	--	--	--	367,261	--	4,322,183
Culture and recreation	--	--	--	648,611	--	--	--	--	--	--	648,611
<b>Total Expenditures</b>	<b>2,859,045</b>	<b>3,954,922</b>	<b>3,926,996</b>	<b>648,611</b>	<b>55</b>	<b>14,114</b>	<b>95,461</b>	<b>4,397</b>	<b>367,261</b>	<b>33,592</b>	<b>11,904,454</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(1,660,235)</b>	<b>(1,575,750)</b>	<b>(439,133)</b>	<b>84,102</b>	<b>3,254</b>	<b>--</b>	<b>176,874</b>	<b>350,405</b>	<b>28,499</b>	<b>23,201</b>	<b>(3,008,783)</b>
<b>Other Financing Sources (Uses)</b>											
Transfers in	1,943,549	1,714,303	1,127,533	--	--	--	--	--	--	--	4,785,385
Transfers out	--	--	--	--	--	--	(150,000)	(272,504)	--	--	(422,504)
<b>Net Other Financing Sources (Uses)</b>	<b>1,943,549</b>	<b>1,714,303</b>	<b>1,127,533</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(150,000)</b>	<b>(272,504)</b>	<b>--</b>	<b>--</b>	<b>4,362,881</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>283,314</b>	<b>138,553</b>	<b>688,400</b>	<b>84,102</b>	<b>3,254</b>	<b>--</b>	<b>26,874</b>	<b>77,901</b>	<b>28,499</b>	<b>23,201</b>	<b>1,354,098</b>
<b>Fund Balances at Beginning of Year</b>	<b>16,873</b>	<b>11,934</b>	<b>193,669</b>	<b>439,601</b>	<b>42,677</b>	<b>--</b>	<b>90,500</b>	<b>194,603</b>	<b>161,349</b>	<b>20,585</b>	<b>1,171,791</b>
<b>Fund Balances at End of Year</b>	<b>\$300,187</b>	<b>\$150,487</b>	<b>\$882,069</b>	<b>\$523,703</b>	<b>\$45,931</b>	<b>\$ --</b>	<b>\$117,374</b>	<b>\$272,504</b>	<b>\$189,848</b>	<b>\$43,766</b>	<b>\$2,525,889</b>

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**As of and for the Year Ended December 31, 2004**

**DEBT SERVICE FUNDS**

**PUBLIC IMPROVEMENT BONDS, SERIES 1999 FUND**

The Public Improvement Bonds, Series 1999 Fund accumulates monies for the Series 1999 Public Improvement Bonds dated May 1, 1999. Funding is provided by royalties from the State of Louisiana from *mineral leases on state-owned land located within Plaquemines Parish.*

**PUBLIC IMPROVEMENT BONDS, SERIES 2001 FUND**

The Public Improvement Bonds, Series 2001 Fund accumulates monies for the Series 2001 Public Improvement Bonds dated June 14, 2001. Funding is provided by royalties from the State of Louisiana from mineral leases on state-owned land located within Plaquemines Parish.

**REVENUE BONDS, SERIES 2004 FUND**

The Revenue Bonds, Series 2004 Fund accumulates monies for the Series 2004 Revenue Bonds dated March 1, 2004. Funding is provided by the avails or proceeds of the special one per cent sales and use tax being levied and collected pursuant to an election held in Plaquemines Parish on October 29, 1977.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Debt Service Funds**

**Schedule 8**

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2004**

	Public Improvement Bonds		Revenue Bonds	Total
	Series 1999	Series 2001	Series 2004	
<b>Revenues</b>				
Sales and use tax	\$ --	\$ --	\$92,207	\$92,207
Intergovernmental revenue:				
State funds:				
Parish royalty fund	817,173	1,863,105	---	2,680,278
<b>Total Revenues</b>	<b>817,173</b>	<b>1,863,105</b>	<b>92,207</b>	<b>2,772,485</b>
<b>Expenditures</b>				
Debt service:				
Principal retirement	595,000	1,535,000	---	2,130,000
Interest	222,173	327,105	91,126	640,404
Other expenditures	---	1,000	1,081	2,081
<b>Total Expenditures</b>	<b>817,173</b>	<b>1,863,105</b>	<b>92,207</b>	<b>2,772,485</b>
<b>Excess of Revenues Over Expenditures</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Fund Balances at Beginning of Year</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Fund Balances at End of Year</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**As of and for the Year Ended December 31, 2004**

**CAPITAL PROJECTS FUNDS**

**1999 GENERAL OBLIGATION BOND CONSTRUCTION FUND (WATER AND SEWER PROJECTS)**

The 1999 General Obligation Bond Construction Fund, Water and Sewer Projects is used for parishwide water and sewer improvements. Financing is being provided from the unexpended proceeds of the \$10,000,000 in general obligation bonds issued on December 11, 1991.

**2004 REVENUE BOND CONSTRUCTION FUND (SEWER PROJECTS)**

The 2004 Revenue Bond Construction Fund, Sewer Projects is used for parishwide sewer improvements. Financing is being provided from the unexpended proceeds of the \$10,000,000 in revenue bonds issued on March 1, 2004.

**LCDBG POINTE A LA HACHE TO BOHEMIA SEWER PROJECT**

The LCDBG Pointe a la Hache to Bohemia Sewer Fund is used to account for the rehabilitation of sewer lines from Pointe a la Hache to Bohemia. Financing is being provided through the Louisiana Community Development Block Grant federal award and through transfers from the Water and Sewer Fund.

**LCDBG EAST BANK WATER SYSTEM IMPROVEMENT FUND**

The LCDBG East Bank Water System Improvement Fund is used to account for the improvements to waterlines on the East Bank of Plaquemines Parish. Financing is being provided through the Louisiana Community Development Block Grant federal award and through transfers from the General Fund.

**SERIES 1993 CERTIFICATES OF INDEBTEDNESS**

The Series 1993 Certificates of Indebtedness Fund is used for repairing sewer lines from the sewer lift station on "E" Street Through "L" Street, Belle Chasse. Financing is provided from the sale of the \$500,000 certificate of indebtedness on February 9, 1993.

**CAPITAL IMPROVEMENTS FUND**

The Capital Improvements Fund is used to account for the purchase or construction of various major capital facilities or equipment, which are being financed from the General Fund.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Capital Projects Funds**

**Schedule 9**

**Combining Balance Sheet  
December 31, 2004**

	GO Bonds Series 1999 Waterworks & Sewer Projects	Revenue Bonds Series 2004 Sewer Projects	LCDBG PALH to Bohemia Sewerline	Total
<b>Assets:</b>				
Cash and cash equivalents	(\$54,973)	\$10,096,837	\$ --	\$10,041,864
Investments	289,325	--	--	289,325
Receivables (net of allowances for uncollectibles)	--	--	311,704	311,704
Due from other funds	341,231	810	--	342,041
<b>Total Assets</b>	<b>\$575,583</b>	<b>\$10,097,647</b>	<b>\$311,704</b>	<b>\$10,984,934</b>
<b>Liabilities:</b>				
Accounts, salaries and other payables	\$5,112	\$190	\$ --	\$5,302
Contracts and retainage payable	86,321	--	15,585	101,906
Due to other funds	1,000	95,064	296,119	392,183
<b>Total Liabilities</b>	<b>92,433</b>	<b>95,254</b>	<b>311,704</b>	<b>499,391</b>
<b>Fund Balances:</b>				
Reserved:				
Capital improvements	313,697	--	--	313,697
Unreserved:				
Designated for capital projects	169,453	10,002,393	--	10,171,846
<b>Total Fund Balances</b>	<b>483,150</b>	<b>10,002,393</b>	<b>--</b>	<b>10,485,543</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$575,583</b>	<b>\$10,097,647</b>	<b>\$311,704</b>	<b>\$10,984,934</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Capital Projects Funds**

**Schedule 10**

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2004**

	GO Bonds Series 1999 Waterworks & Sewer Projects	Revenue Bonds Series 2004 Sewer Projects	LCDBG Projects		Certificates of Indebtedness Series 1993	Capital Improvements	Total
			PALH to Bohemia Sewerline	East Bank Water System Improvements			
<b>Revenues</b>							
Intergovernmental revenue:							
Federal grants	\$ --	\$ --	\$311,705	\$750,000	\$ --	\$5,085,111	\$6,146,816
State funds:							
Other	--	--	--	--	--	230,889	230,889
Use of money and property	16,421	94,153	--	--	--	--	110,574
Other revenues	--	--	--	--	--	55,347	55,347
<b>Total Revenues</b>	16,421	94,153	311,705	750,000	--	5,371,347	6,543,626
<b>Expenditures</b>							
Public works	1,316,641	91,760	407,741	811,384	--	11,177,014	13,804,540
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(1,300,220)	2,393	(96,036)	(61,384)	--	(5,805,667)	(7,260,914)
<b>Other Financing Sources (Uses)</b>							
Transfers in	366,021	--	96,036	61,384	--	5,805,667	6,329,108
Transfers out	--	--	--	--	(16,494)	--	(16,494)
Proceeds from long-term bonds	--	10,000,000	--	--	--	--	10,000,000
<b>Net Other Financing Sources (Uses)</b>	366,021	10,000,000	96,036	61,384	(16,494)	5,805,667	16,312,614
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	(934,199)	10,002,393	--	--	(16,494)	--	9,051,700
<b>Fund Balances at Beginning of Year</b>	1,417,349	--	--	--	16,494	--	1,433,843
<b>Fund Balances at End of Year</b>	\$483,150	\$10,002,393	\$--	\$--	\$--	\$--	\$10,485,543

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**As of and for the Year Ended December 31, 2004**

**ENTERPRISE FUNDS**

**WATER AND SEWER FUND**

The Waterworks and Sewer Fund accounts for the operations of the water and sewer systems of the Parish. Water and sewer plants are located at various locations throughout the parish.

**PORT HARBOR AND TERMINAL DISTRICT FUND**

The Port, Harbor and Terminal District Fund accounts for the operations of the Parish's Port, Harbor and Terminal District.

**GOLF COURSE FUND**

The Golf Course Fund accounts for the operations of the Parish's golf course located in Port Sulphur.

**BOAT HARBORS AND SHIPYARDS FUND**

The Boat Harbors Fund accounts for the maintenance and upkeep of the Parish's boat harbors, boatways, shipyards and oyster docks. Boat Harbors are located at Buras, Venice, Pointe a la Hache, Empire and Port Eads. Shipyards are located at Empire and Pointe a la Hache. Oyster docks are located in Empire, Buras and Pointe a la Hache.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Enterprise Funds**

**Schedule 11**

**Combining Schedule of Net Assets  
December 31, 2004**

	Water and Sewer	Port, Harbor and Terminal	Golf Course	Boat Harbors & Shipyards	Total
<b>Assets</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$28,810	\$1,344,077	\$2,185	\$3,483	\$1,378,555
Investments	---	351,059	---	479	351,538
Receivables (net of allowance for uncollectibles)	3,382,024	663,299	---	3,356	4,048,679
Due from other funds	---	2,483	---	---	2,483
Prepaid items	2,140	---	---	---	2,140
<b>Total Current Assets</b>	<b>3,412,974</b>	<b>2,360,918</b>	<b>2,185</b>	<b>7,318</b>	<b>5,783,395</b>
<b>Noncurrent Assets:</b>					
Land	52,000	---	---	---	52,000
Buildings	11,477,440	5,287,055	362,983	---	17,127,478
Improvements other than buildings	43,595,180	---	---	251,804	43,846,984
Machinery and equipment	2,028,967	936,169	165,070	414,214	3,544,420
Construction in progress	12,938,263	640,795	---	28,823	13,607,881
Less accumulated depreciation	(31,693,521)	(2,109,409)	(273,278)	(385,957)	(34,462,165)
<b>Total Noncurrent Assets</b>	<b>38,398,329</b>	<b>4,754,610</b>	<b>254,775</b>	<b>308,884</b>	<b>43,716,598</b>
<b>Total Assets</b>	<b>\$41,811,303</b>	<b>\$7,115,528</b>	<b>\$256,960</b>	<b>\$316,202</b>	<b>\$49,499,993</b>
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Accounts payable	\$286,589	\$491,144	\$5,220	\$10,851	\$793,804
Contracts and retainage payable	---	10,211	---	---	10,211
Capital leases payable	535	1,604	---	---	2,139
Compensated absences payable	5,796	41,159	4,102	15,916	66,973
Due to other funds	3,650,000	1,054,459	55,000	150,000	4,909,459
Other liabilities	399,997	12,500	---	---	412,497
<b>Total Current Liabilities</b>	<b>4,342,917</b>	<b>1,611,077</b>	<b>64,322</b>	<b>176,767</b>	<b>6,195,083</b>
<b>Non-Current Liabilities:</b>					
Capital leases payable	---	2,905	---	---	2,905
Interfund loan	2,127,170	---	---	---	2,127,170
<b>Total Noncurrent Liabilities</b>	<b>2,127,170</b>	<b>2,905</b>	<b>---</b>	<b>---</b>	<b>2,130,075</b>
<b>Total Liabilities</b>	<b>6,470,087</b>	<b>1,613,982</b>	<b>64,322</b>	<b>176,767</b>	<b>8,325,158</b>
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	38,398,329	4,754,610	254,775	308,884	43,716,598
Unrestricted	(3,057,113)	746,936	(62,137)	(169,449)	(2,541,763)
<b>Total Net Assets</b>	<b>35,341,216</b>	<b>5,501,546</b>	<b>192,638</b>	<b>139,435</b>	<b>41,174,835</b>
<b>Total Liabilities and Net Assets</b>	<b>\$41,811,303</b>	<b>\$7,115,528</b>	<b>\$256,960</b>	<b>\$316,202</b>	<b>\$49,499,993</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Enterprise Funds**

**Schedule 12**

**Combining Schedule of Revenues, Expenses and Changes in Net Assets  
For the Year Ended December 31, 2004**

	Water and Sewer	Port, Harbor and Terminal	Golf Course	Boat Harbors & Shipyards	Total
<b>Operating Revenues</b>					
Charges for services	\$4,078,285	\$1,793,763	\$50,952	\$326,622	\$6,249,622
Other	93,817	145,200	—	118,161	357,178
<b>Total Operating Revenues</b>	4,172,102	1,938,963	50,952	444,783	6,606,800
<b>Operating Expenses</b>					
Personal services	335,685	897,947	102,127	268,573	1,604,332
Contractual services, supplies, materials and other	6,622,903	1,490,361	76,561	247,257	8,437,082
Depreciation	2,603,695	168,394	39,078	33,232	2,844,399
<b>Total Operating Expenses</b>	9,562,283	2,556,702	217,766	549,062	12,885,813
<b>Operating Loss</b>	(5,390,181)	(617,739)	(166,814)	(104,279)	(6,279,013)
<b>Non-Operating Revenues (Expenses)</b>					
Interest revenue	3,774	31,947	---	5	35,726
Interest expense	---	(240)	---	---	(240)
Ad valorem taxes	2,788,540	---	---	---	2,788,540
Other	19,627	845	(4,066)	(1,048)	15,358
<b>Net Non-Operating Revenues (Expenses)</b>	2,811,941	32,552	(4,066)	(1,043)	2,839,384
<b>Net Loss Before Contributions and Transfers</b>	(2,578,240)	(585,187)	(170,880)	(105,322)	(3,439,629)
<b>Capital Contributions</b>	2,731,135	640,795	(1,651)	---	3,370,279
<b>Transfers In</b>	1,019,893	---	161,637	101,989	1,283,519
<b>Transfers Out</b>	(17,263)	---	---	---	(17,263)
<b>Change In Net Assets</b>	1,155,525	55,608	(10,894)	(3,333)	1,196,906
<b>Net Assets-Beginning</b>	34,185,691	5,445,938	203,532	142,768	39,977,929
<b>Net Assets-Ending</b>	\$35,341,216	\$5,501,546	\$192,638	\$139,435	\$41,174,835

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Enterprise Funds**

**Schedule 13**

**Combining Schedule of Cash Flows  
For the Year Ended December 31, 2004**

	Water and Sewer	Port, Harbor and Terminal	Golf Course	Boat Harbors & Shipyards	Total
<b>Cash Flows From Operating Activities:</b>					
Cash received from customers	\$4,065,390	\$1,770,065	\$50,952	\$445,153	\$6,331,560
Cash operating grants received from other governments	---	145,200	---	---	145,200
Cash payments for goods and services	(6,511,845)	(1,055,543)	(76,515)	(245,968)	(7,889,871)
Cash payments to employees	(335,672)	(897,453)	(101,308)	(265,040)	(1,599,473)
<b>Net Cash Used by Operating Activities</b>	<b>(2,782,127)</b>	<b>(37,731)</b>	<b>(126,871)</b>	<b>(65,855)</b>	<b>(3,012,584)</b>
<b>Cash Flows From Non-Capital Financing Activities:</b>					
Ad valorem tax collections	2,788,540	---	---	---	2,788,540
Other non-operating revenues	23,226	845	---	---	24,071
Operating transfers in	1,019,893	---	161,637	101,989	1,283,519
Payments on short-term loan from other funds	1,037,149	(2,228,264)	10,000	3,249	(1,177,866)
<b>Net Cash Provided by (Used by) Non-Capital Financing Activities</b>	<b>4,868,808</b>	<b>(2,227,419)</b>	<b>171,637</b>	<b>105,238</b>	<b>2,918,264</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>					
Acquisition/construction of capital assets	(1,953,526)	(3,895)	(47,174)	(38,576)	(2,043,171)
Increase in intergovernmental receivables	(102,718)	(209,392)	---	---	(312,110)
Operating transfers out	(17,263)	---	---	---	(17,263)
Increase in contracts and retainage payable	---	10,211	---	---	10,211
Interest paid	---	(240)	---	---	(240)
<b>Net Cash Used By Capital and Related Financing Activities</b>	<b>(2,073,507)</b>	<b>(203,316)</b>	<b>(47,174)</b>	<b>(38,576)</b>	<b>(2,362,573)</b>
<b>Cash Flows From Investing Activities:</b>					
Interest received on time deposits	3,774	31,947	---	5	35,726
Payments for investments	---	2,387,756	---	(5)	2,387,751
<b>Net Cash Provided by Investing Activities</b>	<b>3,774</b>	<b>2,419,703</b>	<b>---</b>	<b>---</b>	<b>2,423,477</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>16,948</b>	<b>(48,763)</b>	<b>(2,408)</b>	<b>807</b>	<b>(33,416)</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>11,862</b>	<b>1,392,840</b>	<b>4,593</b>	<b>2,676</b>	<b>1,411,971</b>
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$28,810</b>	<b>\$1,344,077</b>	<b>\$2,185</b>	<b>\$3,483</b>	<b>\$1,378,555</b>
<b>Reconciliation of Operating Loss to Net Cash Used by Operating Activities:</b>					
Operating loss	(\$5,390,181)	(\$617,739)	(\$166,814)	(\$104,279)	(\$6,279,013)
Adjustments to reconcile operating loss to net cash used by operating activities:					
Depreciation	2,603,695	168,394	39,078	33,232	2,844,399
Change in assets and liabilities:					
(Increase) decrease in receivables and other current assets	(106,636)	(23,698)	---	370	(129,964)
Increase in accounts payable	93,524	418,859	46	1,291	513,720
Increase in other liabilities	17,471	16,453	819	3,531	38,274
<b>Net Cash Used by Operating Activities</b>	<b>(\$2,782,127)</b>	<b>(\$37,731)</b>	<b>(\$126,871)</b>	<b>(\$65,855)</b>	<b>(\$3,012,584)</b>

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULE**  
**As of December 31, 2004**

**AGENCY FUNDS**

**SALES TAX FUND**

The Sales Tax Fund accounts for the collection and distribution of the Plaquemines Parish's 3 percent sales and use tax. Two percent of these funds is dedicated to the Plaquemines Parish School Board. The Parish is the collecting agent for the tax and remits to the School Board its pro rata share of the tax less two-thirds of the collection expenses. The Parish's sales tax ordinance provides that the proceeds can be used for general governmental expenses and for providing public services and facilities in the parish.

**DEFERRED COMPENSATION FUND**

The Deferred Compensation Fund accounts for the contributions and withdrawals by parish employees who participate in the deferred compensation plan created and organized in accordance with Internal Revenue Code Section 457. The plan is administered by a third party--the State Mutual Life Assurance Company of America. The plan, which is available to all employees, permits employees to defer the income tax on a portion of their salaries until future years.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Agency Funds**

Schedule 14

**Combining Balance Sheet  
December 31, 2004**

	Sales Tax	Deferred Compensation	Total
<b>Assets</b>			
Cash and cash equivalents	\$1,386,460	\$---	\$1,386,460
Investments	121,651	114,754	236,405
Receivables (net of allowances for uncollectibles)	91	---	91
<b>Total Assets</b>	<b>\$1,508,202</b>	<b>\$114,754</b>	<b>\$1,622,956</b>
<b>Liabilities</b>			
Deposits due others	\$1,120,171	\$114,754	\$1,234,925
Other liabilities	388,031	---	388,031
<b>Total Liabilities</b>	<b>\$1,508,202</b>	<b>\$114,754</b>	<b>\$1,622,956</b>

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**For the Year Ended December 31, 2004**

**COMPENSATION PAID TO COUNCIL MEMBERS AND PARISH PRESIDENT**

The Schedule of Compensation Paid Council Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the council members is included in the legislative expenditures of the General Fund. In accordance with Article IV, Section 4.07 of the Plaquemines Parish Charter for Local Self-Government, as amended, the members of the council receive \$28,100 per year, payable monthly, except for the Chairman who receives \$29,100.

Compensation paid the parish president is included in executive expenditures of the General Fund. In accordance with the Plaquemines Parish Government's Charter for Local Self-Government, Section 3.09, the president's salary is \$72,000 per year, payable monthly.

**FEDERALLY ASSISTED PROGRAMS**

In accordance with the Single Audit Act Amendments of 1996 and Office of Management and Budget Circular A-133, a schedule of expenditures of federal awards is presented.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana**

**Schedule 15**

**Schedule of Compensation Paid to Council Members and Parish President  
For the Year Ended December 31, 2004**

Position/Name	Annual Salary
<b>Parish President</b>	
Benny Rousselle	\$72,000
<b>Council Members</b>	
District 1 John L. Barthelemy, Jr.	28,100
District 2 Rick P. Fremin	28,100
District 3 Jerry K. Hodnett	28,100
District 4 Michael A. Mudge	28,100
District 5 Steven T. Vaughn, Vice Chairperson	28,100
District 6 Amos A. Cormier, Jr.	28,100
District 7 John J. Friedman, Jr.	28,100
District 8 Lynda G. Banta, Chairperson	29,100
District 9 Joseph A. Clark	28,100
	253,900
<b>Total</b>	<b>\$325,900</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana**

**Schedule 16**

**Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2004**

Federal Grantor/ Pass-Through Grantor or Cluster Title	Federal CFDA Number	Pass-Through Entity ID Number	Federal Expenditures
<b>United States Department of Agriculture</b> Passed through Second Harvesters Food Bank of Greater New Orleans - Food Distribution	10.550	NONE	\$11,461
<b>United States Department of Health and Human Services</b> Passed through Louisiana Department of Labor - Community Services Block Grant	93.569	2000P0075	80,579
Passed through Louisiana Department of Social Services - Low-Income Home Energy Assistance	93.568	565785	6,671
Passed through Louisiana Commissioner on Law Enforcement Office - Family Violence Prevention and Services/Grants for Battered Women's Shelters: Grants to State Domestic Violence Coalitions	93.591	M01-7-003	26,702
Passed through State of Louisiana Department of Health and Hospitals - Emergency Medical Services Health Resources and Service Administration - Hospital Bioterrorism Grant	93.889	NONE	20,199
<b>Total United States Department of Health and Human Services</b>			<b>134,151</b>
<b>United States Department of the Interior</b> Direct Programs: Payments in-Lieu-of Taxes (Public Law 95-469)	NONE	NONE	87,880
Payments in-Lieu-of Taxes (Public Law 97-258)	15.226	NONE	14,340
<b>Total United States Department of the Interior</b>			<b>102,220</b>
<b>United States Department of Energy</b> Passed through Louisiana Department of Social Services - Weatherization Assistance for Low-Income Persons	81.042	557464	14,751
<b>United States Department of Transportation</b> Passed through Louisiana Department of Transportation and Development - Highway Planning and Construction (Federal-Aid Highway Program) (Belle Chasse Ferry Acquisition)	20.205	HP-3802 (504)	4,773,304
<b>Department of Housing and Urban Development</b> Passed through Louisiana Department of Transportation and Development - Highway Planning and Construction (Federal-Aid Highway Program) (Belle Chasse Walking Track)	14.250	NONE	84,000
<b>United States Federal Emergency Management Agency</b> Passed through United Way of America - Emergency Food and Shelter National Board Program	97.024	20.3664.00	5,847
Passed through Louisiana Department of Public Safety and Corrections - State Disaster Preparedness Grants	97.036	EMPG FY 03	36,607
Passed through Louisiana Office of Homeland Security and Emergency Preparedness - Citizen Corp. Community Emergency Response Team (CERT)	97.053	PV000031457	244
Passed through Louisiana Office of Homeland Security and Emergency Preparedness - State and Local All Hazards Emergency Operations Planning	97.051	LANG-LGLS/EP-PTE	6,000
Passed through Louisiana Office of Homeland Security and Emergency Preparedness - State Domestic Preparedness Equipment Support Program	97.004	0175/2258/CLD/094	24,770
Passed through Louisiana Office of Homeland Security and Emergency Preparedness - Urban Areas Security Initiative	97.008	UASI-EU-T3-0025	145,434
Passed through Louisiana Office of Homeland Security and Emergency Preparedness/Office of Domestic Preparedness Public Assistance Grants - Hurricane Ivan	97.036	075-99075-00	434,793
<b>Total United States Federal Emergency Management Agency</b>			<b>653,695</b>
<b>United States Department of the Justice</b> Passed through Louisiana Commission of Law Enforcement - Juvenile Accountability Incentive Block Grants	16.523	PVQ00019712	26,182
<b>United States Department of Commerce</b> Passed through Louisiana Department of Natural Resources - Coastal Impact Award (Coastal Restoration-Baptiste Colette)	11.419	NA-17OZ2156	82,373
<b>Environmental Protection Agency</b> Direct Programs: Construction Grants for Wastewater Treatment Works	66.418	NONE	96,800
Passed through Louisiana Office of Community Development - Louisiana Community Development Block Grant - Construction Grants for Wastewater Treatment Works	66.418	574361	311,705
Passed through Louisiana Office of Community Development - Louisiana Community Development Block Grant - Water Quality Management Planning	66.454	601453	750,000
<b>Total For Environmental Protection Agency</b>			<b>1,158,505</b>
<b>Transportation Security Administration</b> Direct Programs: Port Security Grant for Critical National Seaports (Port Security Grants)	97.056	NONE	416,421
Urban Areas Security Initiative Port Security Grant Program	97.008	574361	224,373
<b>Total For Transportation Security Administration</b>			<b>640,794</b>
<b>Total Issues/Expenditures</b>			<b>\$7,681,436</b>

**PLAQUEMINES PARISH GOVERNMENT  
Pointe a la Hache, Louisiana**

**Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2004**

**GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Plaquemines Parish Government (the Parish). The Parish reporting entity is defined in Note 1 to the financial statements for the year ended December 31, 2004. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies. The Louisiana Department of Transportation and Development – Highway Planning and Constructions, passed through the United States Department of Transportation was considered the only major federal program of the Parish.

**BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Parish Government and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the primary government financial statements.

**RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports.

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Plaquemines Parish Council  
Plaquemines Parish  
Pointe a la Hache, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Plaquemines Parish Government (the "Parish"), as of and for the year ended December 31, 2004, which collectively comprise the Parish's basic financial statements and have issued our report thereon dated May 20, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Parish's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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This report is intended solely for the information and use of the audit committee, management, others within the organization, Parish Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under the provisions of Louisiana Revised Statutes 24:513 and 44:6, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
May 20, 2005

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE  
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Plaquemines Parish Council  
Plaquemines Parish  
Pointe a la Hache, Louisiana

Compliance

We have audited the compliance of Plaquemines Parish Government (the "Parish"), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended December 31, 2004. The Parish's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Parish's management. Our responsibility is to express an opinion on the Parish's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Parish's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Parish's compliance with those requirements.

In our opinion, the Parish complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2004.

Internal Control Over Compliance

The management of the Parish is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Parish's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, others within the organization, Parish Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under the provisions of Louisiana Revised Statutes 24:513 and 44:6, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
May 20, 2005

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2004**

Part I. Summary of Auditor's Results:

1. A unqualified opinion was issued on the basic financial statements.
2. No reportable conditions in internal control were disclosed by the audit of the basic financial statements.
3. No instances of noncompliance were disclosed by the audit of the basic financial statements.
4. No reportable conditions in internal control over the major program were disclosed by the audit of the basic financial statements.
5. An unqualified opinion was issued on compliance for the major program.
6. The audit disclosed no audit findings required to be reported under Section 510(a) of Circular A-133.
7. The major program was:

United States Department of Transportation – Highway Planning and Construction (Belle Chasse Ferry Acquisition); passed through the Louisiana Department of Transportation and Development (CFDA No 20.205).
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$300,000.
9. The auditee did qualify as a low-risk auditee under Section 530 of Circular A-133.

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

- A. Compliance Findings -

There were no findings to be reported under this section.
- B. Internal Control Findings-

There were no findings to be reported under this section.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

There were no findings to be reported under this section.

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Summary Schedule of Prior Audit Findings**  
**For the Year Ended December 31, 2004**

- A. Compliance Findings -  
There were no findings previously reported under this section.
- B. Internal Control Findings-  
There were no findings previously reported under this section.
- C. OMB A-133 Findings-  
There were no findings previously reported under this section.